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Berlin Joins Bonn in Vote For Unity

Both Parliaments Back Merger and Polish Guarantee

By Serge Schmemmann

New York Times Service

BERLIN — The parliaments of both Germany passed matching measures on Thursday, moving them another step closer to union. One was a resolution guaranteeing Poland's existing borders and the other the treaty on monetary and economic union.

The outcome of the votes was never in doubt, but both measures carried a large burden of hope, anxiety and controversy, and the debate in both parliaments was at times acrimonious and at times emotional.

The sessions in Bonn and East Berlin also marked the first time the two parliaments passed matching measures, and the act joined a flurry of activities that gave a sense of quickening momentum toward actual reunification.

As the debate began in Bonn, Mr. Kohl said: "After over 40 years of painful separation, the hopes of the people of Germany for the unity and freedom of all Germans are about to be fulfilled. It is vital that we prove equal to this historic opportunity."

The foreign ministers of the United States, the Soviet Union, Britain, France and the two Germanys are to meet Friday for the second ministerial session of the Two-plus-Four talks.

Baker denied the wartime allies were behind the pace of German unity. Page 2.

at which the foreign powers are negotiating an end to limitations on German sovereignty left over from World War II.

The main issue before the talks has become finding a way to extricate East Germany from its military and economic links to the Soviet Union. So far, Moscow has opposed letting a united Germany join the North Atlantic alliance, and there have been rumors of a large Western aid package for the Soviet Union in exchange for its endorsement of unification.

Then on July 1, the monetary and economic union is scheduled to take effect. While the measure will enable East Germany to exchange their money for Deutsche marks, it is also expected to cause many East German enterprises to collapse, creating at least a temporary surge of heavy unemployment.

Forming a backdrop to these developments is Mr. Kohl's new effort to advance the first all-German election, and so reunification, to December.

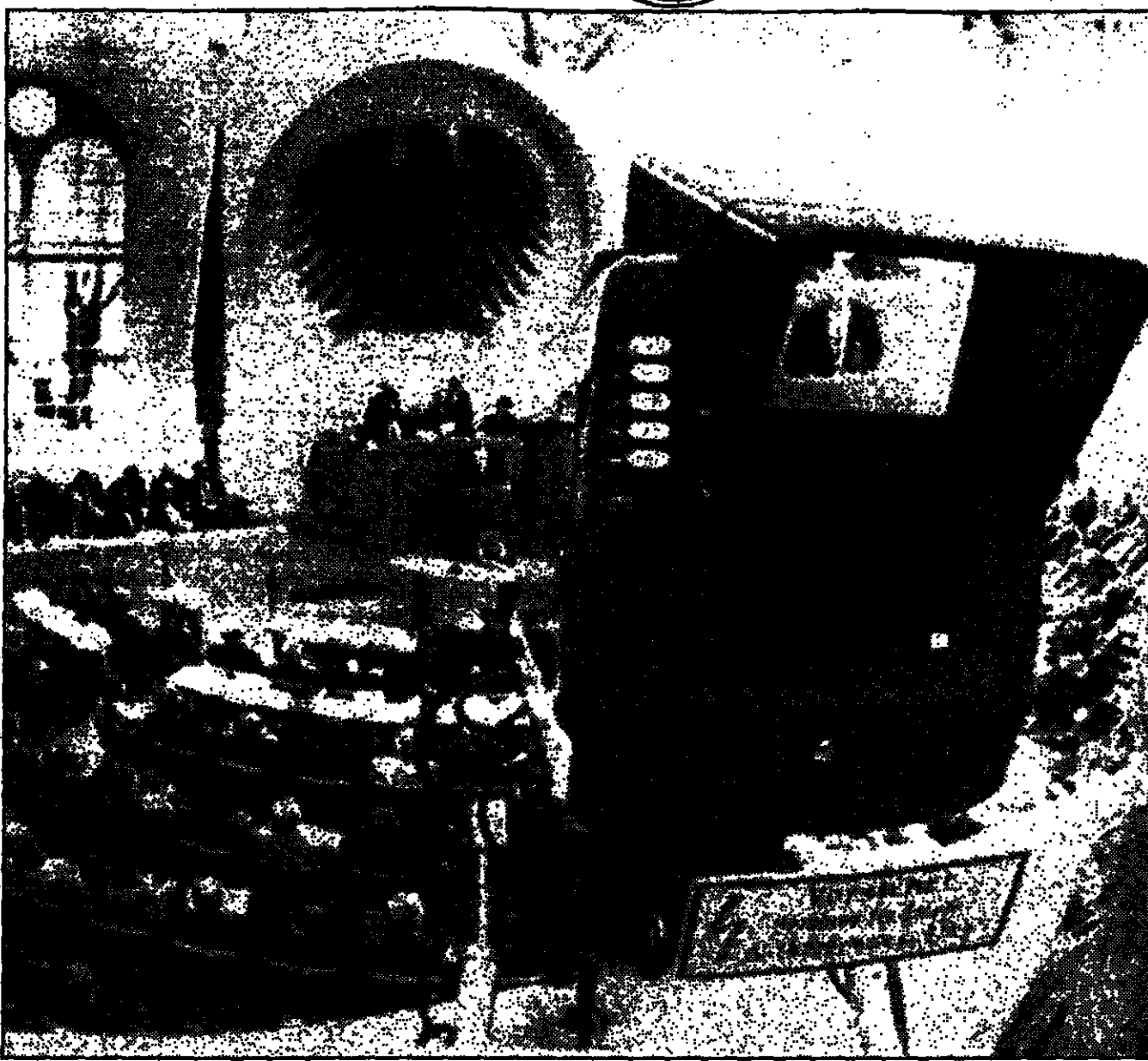
Ovation in Volkskammer

After the 302 to 82 vote on economic merger was announced in the Volkskammer in East Berlin, legislators rose in a standing ovation. There was one abstention.

In the West German Bundestag, the lower house, 445 deputies backed the treaty with 60 votes against. One abstained.

Before the vote, Mr. Kohl urged West Germans to be prepared to pay the costs of reunification, saying: "We in West Germany will also

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Chancellor Helmut Kohl of West Germany speaking in the Bundestag on Thursday on the reunification treaty and the Polish frontier.

Bonn Offers to Guarantee Loan to Soviets

By Richard E. Smith

International Herald Tribune

FRANKFURT — The West German government, acting to overcome Soviet fears over German reunification, indicated Thursday that it would back a 5 billion Deutsche mark credit for the Soviet Union.

With the move, Bonn is again pushing ahead of its allies to act rather than simply talk about providing aid to the tottering Soviet economy.

Not content to wait for the outcome of talks among European Community government leaders next week in Dublin or the Group of Seven leaders next month in Houston, sources in the government said Thursday, Bonn has decided to give an unprecedented full guarantee to the record credit being assembled by a West German banking consortium.

Both the Dublin and Houston meetings are expected to focus on possible aid programs for the Soviet Union. The sources in Bonn said that the new guaranteed credit, equivalent to \$2.98 billion, could also be seen as an early contribution to the idea proposed last week by President François Mitterrand of France to provide a major aid package.

It would not be the first time that the government of Chancellor Helmut Kohl has shown impatience with drawn-out negotiations and has seized the initiative to advance toward reunification. Bonn offered monetary union to East Germany in February without telling the country's central bank and offered in May to guarantee East German deliveries to the Soviet Union without waiting for a national debate.

The timing of the credit, which the sources in Bonn said could be announced as early as Friday, is all the more political in view of the Two-plus-Four talks being held on the same day in East Berlin among foreign ministers of the four Allied occupying powers and the two Germanys.

The outcome of those talks depends largely on Moscow's attitude toward reunification, and that in turn may depend on willingness in the West to provide the Soviet Union with financial help.

Bonn's eagerness to make a major gesture, even as those talks were in progress, was viewed as an attempt not only to impress Moscow but also to spur other Western nations to accept the

gravity of the Soviet situation and to extend aid quickly.

The United States, in particular, has shown some reluctance. President George Bush has voiced doubts about immediate aid as long as Moscow, for one thing, continues to subsidize Cuba.

Bonn has been pressured by Moscow not only for guarantees of East Germany's huge trade contracts with the Soviet Union but also for funds to build housing for Soviet soldiers returning home from postings in East Germany.

Government sources said that Mr. Kohl had given the green light for the guarantee at a ministerial meeting and that this had cleared the way for the banks to swiftly prepare the package.

"The government did not in the past provide such guarantees for bank credits to the Soviet Union and this is an important step," said an official with one of the banks in the consortium.

He said that some bankers had been taken

See CREDIT, Page 15

At Least 10,000 Die In Iran Earthquake, Government Reports

Compiled by Our Staff From Dispatches

TEHRAN — A powerful earthquake rocked northern Iran early Thursday, killing at least 10,000 people and injuring an estimated 20,000, officials reports said.

Many others were reported missing in the rubble of collapsed buildings, and the death toll was expected to rise considerably. Iran's Red Crescent Society said that 100,000 people were homeless.

Geologists measured the tremor at 7.3 to 7.7 on the open-ended Richter scale. Those readings made it one of the strongest ever recorded in the area. The 1988 earthquake in nearby Soviet Armenia, in which more than 20,000 people died, registered 6.9.

Officials were quoted by the official press agency, IRNA, as saying that the quake had triggered mud slides, impeding rescue operations. At least a dozen aftershocks occurred in the following two hours, and 12 hours later a major quake measuring 6.5 was recorded.

The injured were being taken by military helicopter and transport planes to Tehran hospitals. The agency said the helicopters were having trouble reaching some areas because of bad weather.

Scientists said the quake, which struck shortly after midnight and lasted a minute, was centered in the Caspian Sea, 325 kilometers (200 miles) northwest of Tehran.

Buildings in Tehran shook and windows shattered, sending residents into the streets. There were no reports of casualties or major damage in Tehran.

"It was like a rocking motion," one Tehran resident said by telephone. "Some of the people from high-rise buildings, who were watching the World Cup matches, ran down into the streets."

The shock was felt as far away as Soviet Azerbaijan. Tass reported that some older buildings in Baku, the capital, were damaged, but there were no reports of injuries.

The Iranian president, Hashemi Rafsanjani, declared three days of official mourning and called on the Iranian people to mobilize for relief and rescue.

The nation's spiritual leader, Ayatollah Ali Khamenei, immediately allocated \$1 billion for relief efforts, the news agency said. He called the disaster a divine test and urged residents of the stricken provinces to pass this test with pride through patience and cooperation.

Ayatollah Khamenei and Mr. Rafsanjani flew to the stricken area to supervise relief operations.

Hazards hit was Zanjan Province, where the quake killed at least 1,500 people and injured 3,000, Iranian state radio reported.

At least 1,000 people were killed in Ab-Dar, a town in Zanjan, the news agency said. Television showed scenes there of mountains of rubble, which were described as the remains of apartment buildings. They appeared to have been shaken from their foundations.

The news agency said landslides blocked main roads in Zanjan Province, and roads connecting the city of Rasht, a city of 200,000 and the capital of Gilan Province, with Tehran.

Dozens of rescue vehicles, including ambulances and trucks carrying food supplies, were stuck on the roads, the news agency said.

Telephone lines and electricity and water supplies were cut in Zanjan and Gilan provinces. Communications with Tehran from outside the country were difficult.

In Qazvin, 150 kilometers northwest of Tehran, 768 people were reported dead.

Many remote settlements were cut off, and the authorities said it could be days before the toll was known.

Alireza Bokaei, an official of the Red Crescent Society, said in an interview with Reuters, "The big problem now is to reach some rural areas, but we know that some villages have been destroyed 90 or even 100 percent."

All houses were destroyed and virtually every resident killed or injured in the towns of Abbar and Bouin in Zanjan Province, the agency said. In Manjil, Loushan and Roudbar, towns with a combined population of 100,000, nearly three-quarters of the buildings were badly damaged or destroyed, the news agency said.

All Mohammadi, a farmer in the Rostamabad region, told the news agency: "There is not a single house in the area which has been left intact."

A resident of Rasht, reached by telephone from Tehran, said that 300 to 400 people were feared dead there. Women camped out in the city's public squares, reluctant to return to their homes for fear of aftershocks.

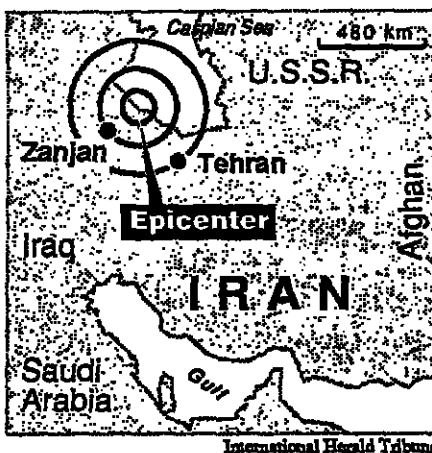
A dam burst south of Rasht, flooding the surrounding area, the news agency said. Hospitals issued urgent appeals for blood donations, and the Red Crescent was flying in 2,000 tents, 8,000 blankets, 10 tons of rice and tons of tea and sugar by plane and helicopter, the news agency said.

Iran appealed for international aid, according to the United Nations Disaster Relief Organization. Specifically sought were medicines, food, clothing, blankets and rescue vehicles.

The United States offered humanitarian assistance, and President George Bush sent a message of condolence to Mr. Rafsanjani. Britain, France, Switzerland, Japan and the European Community also offered help.

Thursday's quake was the worst in Iran since 1978, when 25,000 people died in the eastern Tabas region.

Algeria... 2.00 Dhs. Iran... 100.00 Rials
Australia... 2.00 A\$ Australia... 1.00 A\$
Belgium... 2.00 Bfr Belgium... 1.00 Bfr
Canada... 2.00 Cdn\$ Canada... 1.00 Cdn\$
Denmark... 2.00 Dkr Denmark... 1.00 Dkr
France... 2.00 Ffr France... 1.00 Ffr
Germany... 2.00 Mfr Germany... 1.00 Mfr
Greece... 2.00 Dr Greece... 1.00 Dr
Hong Kong... 2.00 HK\$ Hong Kong... 1.00 HK\$
India... 2.00 Rs India... 1.00 Rs
Italy... 2.00 Lit Italy... 1.00 Lit
Japan... 2.00 Yen Japan... 1.00 Yen
South Korea... 2.00 W\$ South Korea... 1.00 W\$
Spain... 2.00 Ptas Spain... 1.00 Ptas
Sweden... 2.00 Skr Sweden... 1.00 Skr
Switzerland... 2.00 Sfr Switzerland... 1.00 Sfr
Taiwan... 2.00 Nts Taiwan... 1.00 Nts
Thailand... 2.00 Bt Thailand... 1.00 Bt
Turkey... 2.00 Liras Turkey... 1.00 Liras
U.S.A. 2.00 Dls U.S.A. 1.00 Dls
U.K. 2.00 Ss U.K. 1.00 Ss
Yugoslavia... 2.00 Dns Yugoslavia... 1.00 Dns



Kiosk Gunmen Strike Haiti Council

PORT-AU-PRINCE, Haiti

(AP) — Four gunmen, including two in army uniforms, opened fire Thursday on a meeting of the government's Council of State, killing a council member and wounding another.

The attack, according to witnesses and independent radio reports, occurred at a meeting of the Council of State, which is the highest political authority in Haiti.

Since Tuesday, at least 13 people have been killed in the capital, heightening political uncertainty in the campaign for elections scheduled for September.

IRA Figure Charged

AMSTERDAM (Reuters)

— An Irish Republican Army suspect was charged Thursday with the shooting deaths of two Australian lawyers in the Netherlands last month, the police said.

Paul Hughes, one of four IRA suspects held since Dutch and Belgian police began a joint manhunt on Saturday, appeared before a public prosecutor in the southern town of Roermond. He was arrested Tuesday.

General News

The damaged carrier Midway poses no threat to Japan, a U.S. admiral says. Page 5.

Mikhail S. Gorbachev accused his critics of slander. Page 2.

Weekend

Composer Philip Glass got star billing at the Stuttgart Opera, which performed three of his works as a trilogy. Page 7.

Business/Finance

Alan Greenspan, chairman of the Federal Reserve, dismissed fears of a recession. Page 13.

Crossword

Page 18.

Weather

Page 2.

WORLD CUP GRANDSTAND

Spain 2, Belgium 1

Spain's Rafael Martin Vasquez, right, leaping over a defender, was the image of his team: Spain swept to the top of its group with a 2-1 victory over Belgium, which fell to second place. The victory allows Spain to stay in Verona for the second round.

Uruguay 1, South Korea 0

Reserve Daniel Fonseca connected on a dramatic header in the final seconds to lift Uruguay to a 1-0 triumph over South Korea and into the second round, where it joins the other four Latin American teams.

England 1, Egypt 0

Mark Wright's header in the 58th minute of the match was enough to send England past Egypt, 1-0, and into a second-round matchup with Belgium on Tuesday. The loss eliminated Egypt from the World Cup.

Ireland 1, Netherlands 1

Niall Quinn scored in the 71st minute to give Ireland a 1-1 draw with the Netherlands. With both teams qualifying for the second round with identical records, a post-match draw determined that Ireland finished second and the Netherlands third.

Hello Schillaci, Good-Bye Vialli

Fame, both fleeting and fickle, for an Italian lies in the back of an opponent's soccer net. And the man of the hour in soccer-mad Italy, the symbol of Italian hope, is now Salvatore Schillaci. Rob Hughes reports.

No matches Friday. Second round starts Saturday.

World Cup report: Pages 18 and 19



Karl Klein/Kellett/The Associated Press

Can't Make It to the End of This Article? There May Be a Cure for You

By Daniel Goleman

New York Times Service

NEW YORK — In her early 40s, in the midst of a frustrating struggle to finish a doctorate in medical history, Barbara Karler went to the psychiatry clinic at the University of Utah for treatment of depression.

Unable to concentrate on her studies, she felt scattered, high strung and irritable.

To her surprise her doctor, Paul Wender, said her problem was not depression. He said she had an attention deficit — the same kind of attention problems as seen in school children.

Looking back at her childhood, Mrs. Karler, now 59, said she could see many signs that something had been wrong. She fidgeted constantly and was always in trouble.

"All through school I felt too much information

was coming in at me," she said. "I tried hard to focus but I always felt distracted by any little thing — the cat, a car going by. It was like having no filtering system; everything got through."

Her problems disappeared when Dr. Wender prescribed Ritalin, a stimulant commonly used to treat attention deficit in children.

People like Mrs. Karler are likely to go undiagnosed because until recently most therapists believed that attention deficit was a problem children outgrew. And people her age grew up at a time when the diagnosis was unknown, even among children.

Now, however, experts believe that 3 to 10 percent of U.S. children, about three-quarters of them boys, have attention deficit problems. Recent findings make it increasingly clear that a third

or more of children with such deficits still struggle with the problem as adults.

Dr. Wender began investigating that possibility about 10 years ago. He and other researchers now estimate that 2 to 5 percent of adults, as many as 6 million Americans, show the distractedness, restlessness and irritability that are the hallmarks of the disorder.

Previously, most studies involving adults with attention problems had focused on those with severe debilitation. This group, which included about one-third of the children with attention disorders, had problems ranging from chronic trouble with the law to alcoholism and drug abuse as adults.

But the new work is finding a group — its size is still unknown — whose members have a few of the more obvious problems with schoolwork that lead

to outright failure, and others whose problems simply went undiagnosed.

For these adults, life is plagued by small frustrations and repeated disappointment. And some, like Mrs. Karler, are able to find ways to compensate that allow surprisingly high achievement, though not without struggle.

About half of children with attention deficit also have a specific learning disability, like reversing numbers or letters. About a third are diagnosed as anti-social or having a conduct disorder, indicating they are chronic troublemakers.

In adults, the signs that go with attention deficit are similar. For example, instead of their being impatient waiting their turn for a game, Dr. Schell said, they "can't wait in line at the bank or for a red light without getting aggravated."

In his research, to be published in the journal

Comprehensive Psychiatry, Dr. Schell found that many adults with attention deficit came for help with other problems — anxiety disorders, depression, mood swings and alcohol or drug abuse.

Most adults with attention deficit respond to the same treatments used for children, a combination of medication and psychotherapy. Stimulants like Ritalin paradoxically soothe those with attention deficit and help them concentrate; adults generally do well on low daily drug doses. But just as important is psychotherapy for the many emotional problems that come from a life of underachievement, constant failure and self-reproach.

The specific approach depends on which problems are most troubling. Like a poor sense of self-worth or quick anger, which medication alone will not change.

Mr. Honecker has denied that he provided a haven for urban guerrillas.

The Federal Prosecutor's Office See INQUIRY, Page 2

Gorbachev, Accusing Party Critics, Cries Slander

By Francis X. Clines

MOSCOW — President Mikhail S. Gorbachev accused his critics on Thursday of trying to slander him Thursday as he denied hatching his national program for change without consulting the Communist Party.

"To think the idea appeared from the sky or had just been invented is slander," the Soviet leader told a conference of the Communist Party of the Russian Republic.

The Russian conference is a warm up for the larger national party conference next month, and Mr. Gorbachev once again displayed his own rhetorical fitness for the fray. He rounded on his critics of the last three days who charged that the party machine was rendered impotent by perestroika, Mr. Gorbachev's program of economic and political restructuring.

"There is no room for suspicions that somebody intends secretly to switch the country to capitalism," Mr. Gorbachev declared in a rebuttal to complaints that he has been circumventing the party with his plans to ease the economy away from central Communist dictates and closer to market freedom.

"The new economic strategy is the idea of the party," Mr. Gorbachev said, offering a contentious notion for many in the gathering of about 2,700 party professionals. They have not hidden their sense of frustration and doubt at the party's current lot in losing power and prestige through the gradual democratization of the nation under perestroika.

The Russian conference has gathered more than half of the 5,000 delegates to the national party conference, which is scheduled to start July 2. It presented a forum considerably out of step with the party leader, Mr. Gorbachev. While they have presented no substantial threat to his power, they have increasingly threatened to make the party conference a grand sounding board for complaints about perestroika, rather than a strategy session on how to best to make it work.

The tendency to "put perestroika on trial" is becoming a motif of increasing concern about the coming conference, according to Prime Minister Nikolai I. Ryzkov.

Yeltsin on Gorbachev Hint

Boris N. Yeltsin, an advocate of radical change, said he thought Mr. Gorbachev was seriously considering giving up the leadership of the Soviet party, Reuters reported Thursday from Moscow.

Mr. Gorbachev himself has hinted as much, but it is unclear whether he has done so merely for tactical reasons.

But Boris Gidaspov, Leningrad first secretary, said Thursday he did not think Mr. Gorbachev would cede his party post.

Lithuanian Premier Stops Off in Poland

WARSAW — Prime Minister Kazimiera Prunskiene of Lithuania made a surprise visit here Thursday, her first to an East European country since the Baltic republic declared independence from the Soviet Union in March.

Mrs. Prunskiene, on her way home from Athens, said Soviet control of the 130-kilometer (80-mile) Polish-Lithuanian border should be ended. The single frontier crossing has been closed.



An army major conferring with Mr. Gorbachev, left, at the Russian party congress. At right is Anatoli Lukyanov, parliament chairman.

In Place of Soviet Chaos, a Recipe for Anarchy

By Francis X. Clines

MOSCOW — The anarchists are back, with word processors in place of bombs, urging the frazzled Soviet public in these chaotic times to accept no substitute for the real thing.

"In the past we were seen as crazy people with long hair and grus who wanted to kill and rob," said Alexander Shubin, the newly barbed leader of the Conference of Anarchist-Syndicalists.

These new anarchists, clean-cut university students and young intellectuals who claim 500 active members and 2,000 workers as supporters, are descendants of the impassioned nonbelievers in government who had it out with the Bolshevik revolutionaries 70 years ago and lost, for a while at least.

"Now people can see we are a serious movement," said Mr. Shubin, who stood tracking the anarchist propaganda being composed on a computer, working with fellow volunteers in an office in an old church. They are pressing anew the anarchist argument that government and bureaucracy are intrinsically harmful and unnecessary. They point to the wine-red Kremlin walls just across the river as Exhibit A.

More than any single argument against the careworn Soviet establishment, the challenging presence of Mr. Shubin, so glibly himself, is a measure of the budding pluralism in the Soviet Union.

This is a phenomenon that in the Russian Republic alone already has produced at least 140 ideological discussion groups and political organizations, according to one registry, which is already dated.

The groups cover a wide spectrum from left to right, with room for organizations such as the Vyatka Nonphilosophy Circle and the Group Studying the Marxist Legacy.

With a full-scale political opposition still far off, so many people are joining so many new discussion groups that the new pluralism seems to verge on cacophony.

The off-beat complaint these days from a fascinated but ear-weary public is: "Talk, talk, talk."

But this is joy to Mr. Shubin, and it is a far cry from the Moscow underground, where only three years ago the 24-year-old research historian was hatching nonviolent anarchist schemes.

The anarchists want to decentralize power down to the provinces and working-class neighborhoods and nullify the central bureaucracy with self-government so localized that it barely has form.

This is the latest pacifist version of anarchism, whose various offshoots historically have included a salad of philosophic notions and actions ranging from utopianism to assassination.

Violence is condemned by Mr. Shubin, whose strongest conspiratorial talk merely echoes the typical Moscowist's blasé estimate of how any day now a coup could come from hard-line party dogs.

On the formal political scene, talk can often be found bubbling relentlessly in three different debating forums for television viewers to watch through the night into early morning.

There is the center ring, the Supreme Soviet, which is the national parliament of grand planning and preening led by President Mikhail S. Gorbachev.

There is the insurgent arena of the Moscow City Council, where radicals and skeptics from outside the Communist establishment have won elections to become the "ins."

And there is the new show in town, the parliament of the Russian Republic, where at the center of all the talk sits the republic's new president, Boris N. Yeltsin, the nation's favorite Gorbachev antagonist.

All that is prologue to the spill of free talk in which people finally are coming to feel uninhibited about their critical opinions. This may be the main effect thus far of what Mr. Gorbachev has wrought politically.

But Mr. Shubin sounds ungrateful. He talks of the Soviet leader as a passing "tragic figure."

"Like Czar Nicholas II at the time of the 1905 Revolution," he said, smiling, enjoying his own talk, "Gorbachev compromises between the center and the right."

He said he was certain that the Soviet leader merely seeks a new monopoly of power, however kinder and gentler it may be.

Mr. Shubin does hail Mr. Gorbachev as a handy living advertisement of the anarchists' call for less government, as the Kremlin stumbles daily between sudden crises and bungled promises.

Soviet rule now is chaos and not anarchy, Mr. Shubin contends, stressing a critical distinction.

Anarchy is from the Greek root for "having no ruler," and its varied adherents argued for state minimalism and pacifism well before the anarchist-terrorists of the monarchy's final decades gave the word a wild-eyed connotation.

"We think our time is coming," Mr. Shubin said.

Baker Says West Moves In Fast Lane On Germany

The Associated Press

BERLIN — Secretary of State James A. Baker 3d said Thursday that the six-power talks on German reunification were not lagging behind the fast pace set by the two Germans.

He also said he opposed an East German idea of holding a joint Warsaw Pact-NATO summit meeting on German reunification.

Mr. Baker met with the East German foreign minister, Markus Meckel, to discuss the international aspects of reunification as the East German parliament was voting overwhelmingly to merge the nation's economy with West Germany's.

West German lawmakers met Thursday to approve the same accord, which will result in de facto reunification of the Germans on July 2. A full political merger is expected soon.

Most of the major domestic issues of German unity are being resolved at an extremely rapid pace, while the superpowers remain at odds over the strategic role of a single Germany.

Mr. Baker, speaking to reporters after the meeting with Mr. Meckel, denied that the international talks were being outpaced by domestic developments.

"It is important in the view of the United States and some other countries," he said, "that there not be a hiatus between the internal unification, that is political and economic unification of the two Germans, and a resolution on the external aspects of unification."

Mr. Baker was due to meet with the West German foreign minister, Hans-Dietrich Genscher.

The meetings came on the eve of the latest round of negotiations between the two Germans and the four World War II Allies that divided them: the Soviet Union, United States, Britain and France — known as the Two-plus-Four talks.

Asked about Mr. Meckel's proposal for a joint summit meeting between the Soviet-led Warsaw Pact and the North Atlantic Treaty Organization on German reunification, Mr. Baker said, "It seems to me that that might do some violence to the concept of German sovereignty."

"The meeting, as I understand it, was to consider whether or not Germany should be a member of a particular alliance. Of course, under the Helsinki Final Act that's up to the sovereign states to make those determinations."

Mr. Meckel said after the meeting that he was proposing that the Warsaw Pact and NATO "sign a declaration that we are no longer enemies."

Mr. Meckel, whose foreign policy pronouncements have sometimes differed from those of the East German prime minister, Lothar de Maizière, said his proposal was "accepted as an idea" by Mr. Baker and that it would be discussed later.

The United States insists that a united Germany be a member of NATO; the Soviet Union opposes that.

Mr. Baker said he and Mr. Meckel discussed the issues that will be dealt with at the Two-plus-Four talks on Friday, such as the status of a unified Berlin.

But he repeated that Germany alone should decide which alliance to join. Both German states favor NATO membership.

INQUIRY: Another Agency

(Continued from page 1)

said Thursday that information received so far in connection with the arrest of eight people suspected of membership in the Red Army Faction terrorist organization, has revealed that they settled in East Germany following 1980 with the help of the Ministry of State Security and until recently were "looked after" by the ministry staff.

Chancellor Helmut Kohl, referring to the arrests during a parliamentary debate Thursday, accused the East German regime of having supported terrorism.

"In the last few days we have again seen how abominable this system was," he said. "It cooperated with terrorists who murdered people here in West Germany."

The Federal Prosecutor's Office also reported that it was looking into the possibility of investigating the former East German minister for state security, Erich Mielke, on suspicion of supporting a terrorist organization.

The East German interior minister, Peter-Michael Diestel, has alleged that harboring terrorists was the personal hobby of Mr. Honacker and Mr. Mielke, both of whom lost their posts in November.

A Baden-Württemberg state prosecutor based in Karlsruhe, Gerhard Klass, said: "We suspect that Honacker and his secret police agents hindered the pursuit of Red Army Faction terrorists sought in arrest warrants."

Mr. Klass said he had jurisdiction because the original arrest warrants against the terrorists were issued in Karlsruhe. The maximum penalty on such a charge ranges from a small fine to five years in prison.

Asked if he expected Mr. Honacker or any of the others to be extradited for trial, Mr. Klass refused to speculate. (Reuters, AP)

WORLD BRIEFS

Stockholm to Expel 5 Palestinians

STOCKHOLM (Reuters) — Sweden decided Thursday to expel five Palestinians said by security police to be linked to others convicted of bomb attacks against American and Jewish targets in Europe.

In line with Swedish procedure, the government did not name the five or list the evidence against them. Security sources said four were related to a man sentenced in Sweden last December for a series of bombings in Europe in 1985. The sources said the five would be sent to Syria.

Two of those being expelled also were linked to an apartment in West Germany where barometric detonators were discovered by police in 1988, the sources said. The detonators are believed to be like one used in a bomb that exploded on a Pan American World Airways jet over Scotland later that year, killing 270.

Thais Tense as General Rejects Post

BANGKOK (AFP) — Thailand's former defense minister, General Chaovalit Yongchaiyut, rejected on Thursday an offer to become the prime minister's personal adviser and the opposition called for a no confidence motion against the government, sharply increasing political tensions.

On Wednesday, Prime Minister Chatichai Choonhavan had offered the general the post of special adviser in an attempt to defuse a political crisis that has created fears of a coup. The fears surfaced following the general's resignation last week from his joint posts as defense minister and deputy prime minister after criticism from civilian politicians.

Meanwhile, Piyasat Wacharaporn, spokesman for the main opposition Solidarity party, said Thursday that his party would submit a censure motion to the house speaker against the coalition cabinet of Mr. Chatichai. Alleged corruption and failures of certain administrative policies would be among targets of the debate, opposition sources said.

Court Lets Basques Take Cortes Seats

MADRID (Reuters) — Spain's highest court ruled Thursday that Basque separatists elected to the Cortes, or parliament, could take their seats, a decision that threatens to deprive Prime Minister Felipe Gonzalez, a Socialist, of the ability to outvote the opposition.

The Constitutional Court's unanimous ruling overturned a ban on the four elected members of the Herri Batasuna, or People's Unity, party who had refused to take the agreed oath to Spain's Constitution.

The ruling, ending legal disputes that marred the results of October's general election, gave the combined opposition 175 of the 350 seats in the Congress of Deputies, the lower house, the same number as Mr. Gonzalez's Socialist Workers Party. It was not immediately clear if all four Basques would take their seats.

2 Held in Blast at London Air Base

LONDON (Reuters) — British police arrested two men after a bomb hidden in a knapsack exploded at an air force base in northwest London on Thursday, causing damage but no casualties.

A police spokesman said the two were arrested as they were driving near the base while it was being evacuated. The police said the Irish Republican Army was suspected in the attack.

Meanwhile, the police said a Welsh nationalist group called Meibion Gylfyr (Sons of Glandower) was responsible for two letter bombs sent Thursday to the House of Commons. The bombs were detected by mail room staff and destroyed. The group, believed by police to have fewer than a dozen members, objects to English influence in Wales.

Ceausescu's Brother Given Jail Term

BUCHAREST (Reuters) — The brother of the executed Romanian leader Nicolae Ceausescu was sentenced to a 15-year jail term Thursday on charges of inciting genocide, court sources said.

Nicolae Andriuta Ceausescu, 66, a former general and head of the secret police training school, is the first relative of the dictator to be convicted in connection with attempts to crush the anti-Communist uprising last December.

The dictator's elderly sister, Maria Gheorghiu, also went on trial Thursday on charges of defrauding the state. Mr. Ceausescu's son Nico is being tried for genocide and his daughter, Zoia, is in jail awaiting trial for corruption.

Police Halt Nairobi News Conference

NAIROBI (UPI) — Police broke up a news conference Thursday called by leading Kenyan lawyers to accuse the government of harassment and of curtailing freedom of speech.

Three lawyers were addressing the news conference when plainclothes police burst into the room, ordering everyone to leave. They confiscated a notebook and film from reporters.

Former politicians and church leaders have called for a multiparty political system in Kenya, which is ruled by the one-party government of President Daniel arap Moi. On Wednesday, the police tried to arrest two leading advocates of a multiparty system.

For the Record

Poland has named Kazimierz Dzielanowski, a longtime opposition journalist as its new ambassador to the United States. PAF news agency reported. Mr. Dzielanowski, 59, was assistant editor of Solidarity's weekly newspaper, Tygodnik Solidarnosc, in 1981 when it was edited by Tadeusz Mazowiecki, now Poland's prime minister. (AP)

Turkish troops killed five separatist rebels of the Marxist Kurdish Workers Party and wounded another one in a clash Wednesday in eastern Turkey, the Anatolian News Agency said Thursday. A Turkish soldier was killed and a civilian village guard wounded in the clash, near Poturge in the province of Malatya, 650 kilometers (about 400 miles) east of Ankara. (Reuters)

About 6,000 French judges, magistrates and prosecutors demanding a bigger budget for the judicial system and better working conditions stopped work for the first time Thursday. Although strikes are illegal for civil servants, the judges staged complete or partial stoppages as unions called for improvements in the administration of justice. (Reuters)

TRAVEL UPDATE

Lufthansa was denied an application for a one-year permit to provide service between Portland, Oregon, and Frankfurt, the Department of Transportation said. It also turned down an application for Lufthansa service to Tampa, Florida, but granted it permission to serve Charlotte, North Carolina, for 179 days. (UPI)

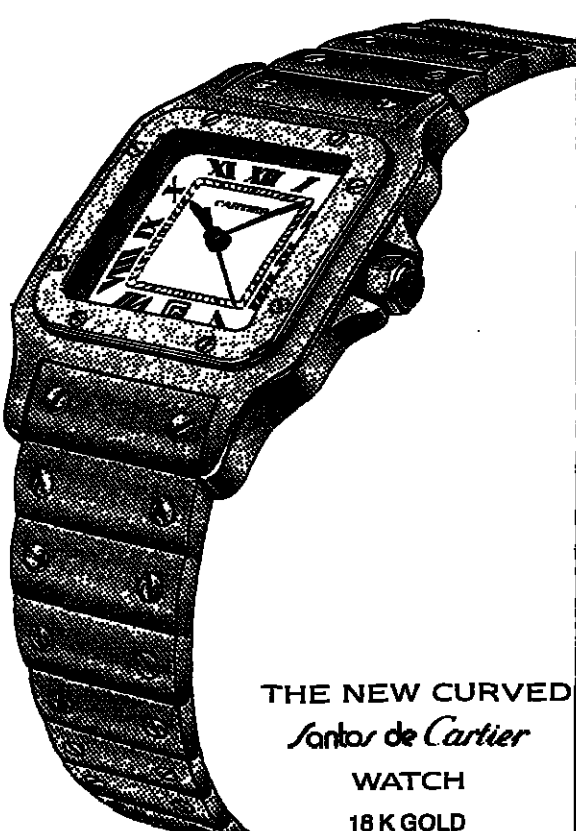
Tens of thousands of Londoners were stranded Thursday during the morning rush hour when 14 stations were closed on the Underground while workers searched for the source of a gas leak. The disruption affected the Piccadilly, Victoria and Northern lines. (AP)

WEATHER

EUROPE				ASIA			
	HIGH	LOW	PRECIP.		HIGH	LOW	PRECIP.
Amsterdam	16	10	C	Bangkok	32	24	0-10
Antwerp	15	9	C	Beijing	28	18	0-10
Berlin	14	8	C	Bombay	30	22	0-10
Birmingham	13	7	C	Calcutta	31	23	0-10
Bombay	14	8	C	Chengdu	28	18	0-10
Boston	15	9	C	Chongqing	29	19	0-10
Buenos Aires	16	10	C	Guangzhou	30	22	0-10
Cardiff	14	8	C	Hankow	29	19	0-10
Cairo	15	9	C	Harbin	27	17	0-10
Canton	16	10	C	Heilongjiang	26	16	0-10
Chongqing	17	11	C	Hong Kong	28	18	0-10
Columbus	18	12	C	Kobe	29	19	0-10
Cuba Del Sol	19	13	C	Manila	30	22	0-10
Dallas	20	14	C	Osaka	31	23	0-10
Danbury	21	15	C	Shanghai	32	24	0-10
Detroit	22	16	C	Taipei	33	25	0-10
Denver	23	17	C	Tokyo	34	26	0-10
Des Moines	24	18	C				
Detroit	25	19	C				
El Paso	26	20	C				
Fort Worth	27	21	C				
Galveston	28	22	C				
Houston	29	23	C				
Indianapolis	30	24	C				
Jacksonville	31	25	C				
Los Angeles	32	26	C				
London	33	27	C				
Los Angeles	34	28	C				
Madison	35	29	C				
Manila	36	30	C				
Memphis	37	31	C				
Miami	38	32	C				
Minneapolis	39	33	C				
Montreal	40	34	C				
Moscow	41	35	C				
Murphy	42	36	C				
Nashville	43	37	C				
New York	44	38	C				
Oakland	45	39	C				
Orlando	46	40	C				
Philadelphia	47	41	C				
Pittsburgh	48	42	C				
Portland	49	43	C				
Portland	50	44	C				
San Francisco	51	45	C				
Seattle	52	46	C				
St. Louis	53	47	C				
St. Paul	54	48	C				
Stockholm	55	49	C				
Swampscott	56	50	C				
Tampa	57	51	C				
Tucson	58	52	C				
Urbana	59	53	C				
Washington	60	54	C				
Yakima	61	55	C				

FRIDAY'S FORECAST — CHICAGO: Rain, 58-64. ST. LOUIS: Rain, 58-64. MILWAUKEE: Rain, 58-64. MINNEAPOLIS: Rain, 58-64. PORTLAND: Rain, 58-64. SEATTLE: Rain, 58-64. SPOKANE: Rain, 58-64. TACOMA: Rain, 58-64. VANCOUVER: Rain, 58-64. WASHINGTON: Rain, 58-64. YAKIMA: Rain, 58-64. (AP)

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Official Seeks Chernobyl Aid

The Associated Press

BRUSSELS — A Soviet official says it might take more than 200 years to clean up damage from the 1986 Chernobyl nuclear power plant accident and asked for international aid to help relocate people affected by the disaster.

About 2 million people in Byelorussia have to be moved from contaminated areas, Victor Borovikov, a Byelorussian, said. The republic received 70 percent of the fallout from the accident at an estimated cost of \$70 billion.

Mr. Borovikov said the republic planned to spend \$14 billion to move 180,000 people from the high-radiation zone by the end of 1991. Soviet scientists recommend that people in all contaminated areas be evacuated at an estimated cost of \$70 billion.

His remarks offered the first detailed glimpse of how NATO planners aim to change the alliance's doctrine of "forward defense," meaning a military strategy aimed at blocking any Soviet attack as far east as possible.

To do this, NATO has massed its forces close to the border between the two Germans, and Soviet officials have complained that they would represent a threat by remaining there while Soviet forces retreated.

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U.S. Flag: Tussle Over the National Icon

By E.J. Dionne Jr.

WASHINGTON — To foreigners, there is something downright peculiar about the deep reverence Americans show for their flag, a reverence that has burst into the realm of politics in the battle over a proposed constitutional amendment to ban flag burning.

"At the foreman's first glance, the steamy and conflicting emotions of the American public and the tortured posturing of politicians over the issue of banning the burning of the Stars and Stripes seems ludicrously exaggerated," Yan Smiley wrote in *The Sunday Telegraph* of London. "Worse things have been done," he said, to the Union Jack, "with barely a whimper of outrage in the Commons."

But as Mr. Smiley conceded, and as historians and students of popular culture testify, there really is something special about America's relationship to its flag, which is why conservatives believe they have much to gain from making an issue of flag "desecration."

That very term — rooted in the word "sacred" — endows a thoroughly secular object with near-religious meaning, and America's flag, say the historians, carries cultural and emotional burdens that in most societies are spread among various other symbols and rituals.

As a country that is not based on a single ethnic group or race or religion, the United States has to anchor its unity in ideas — and in humanity — created symbols.

"America invented itself in a way that England, France and Russia did not," said the Reverend Richard John Neuhaus, the author of "The Naked Public Square," a

book that traces a decline in national consensus around ethical and religious values. "The flag is synonymous with our national existence. Most other nations had flags plural."

The Stars and Stripes were decreed by the Second Continental Congress in June 1777, less than a year after the Declaration of Independence. Many have the notion that the flag has been there from the beginning.

"What other national symbol is there really?" asked Peter Marzio, a historian who directs the Museum of Fine Arts, Houston, and is a student of American popular art. "You don't have royalty. You never had an established church in the European sense. So the flag is almost isolated. There's nothing else. It has no competition."

And in a nation that has so often found itself divided over fundamental values, said Amitai Etzioni, a sociologist at George Washington University, the flag has an additional virtue. "Nothing's written on it," he said. "So we can all project on it what we want. Some people project free speech."

That, of course, goes to the heart of the debate over the constitutional amendment to ban flag burning. "The flag has played a dual role," said Benjamin Barber, a political science professor at Rutgers University. "It's the symbol of the Constitution and the Bill of Rights and tolerance and diversity, but it has always been a symbol of the American nation. Those who want to ban flag burning are playing to the ban of the nation. But as they do so, they're rubbing against the very symbols of tolerance and diversity that the flag stands for."

What strikes Alan Brinkley, a

historian at the City University of New York Graduate School, is how much more important the flag became in the 20th century — partly in reaction against the diversity that some see the flag as representing.

Mr. Brinkley says that the flag became a central element in popular campaigns to "Americanize" the waves of immigrants who arrived in America between 1870 and 1920. The flag also was used as a symbol in the drive against radicals after World War I, since many saw radicalism as an "un-American" import, brought by the new immigrant groups. Those campaigns led to the adoption of *The Star Spangled Banner* as the national anthem in 1931.

The flag's identification with opposition to radicalism — and with the prosecution of the Cold War after World War II — made it all the more attractive a target for opponents of the Vietnam War. Flag burnings, Mr. Brinkley said, became an important part of New Left "iconography," and so opposition to flag burning became increasingly important to the New Left's opponents.

Mr. Neuhaus recalled that at least one person on the left who understood the power of the flag as symbol was the late Socialist leader, Norman Thomas. He suggested not mass flag burnings, but mass flag washings. "He said our purpose should be not to burn the flag but to cleanse it," Mr. Neuhaus said.

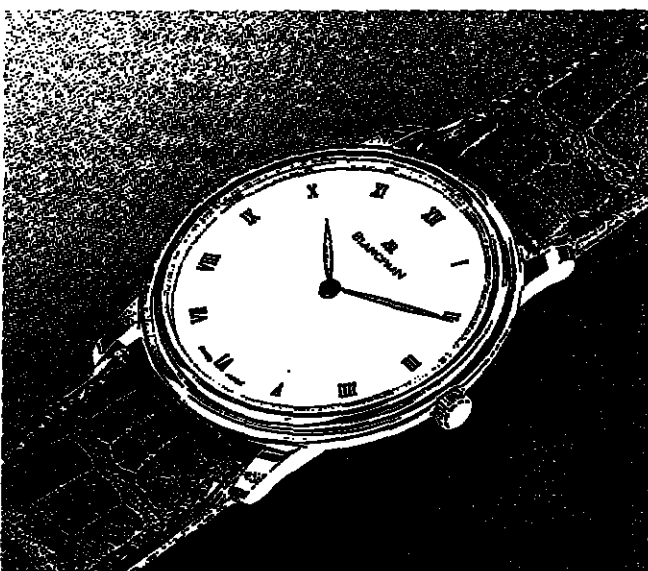
Some religious traditionalists like Mr. Neuhaus are uncomfortable with attributing sacred qualities to a secular object.

"The use of the language of holiness with respect to a national symbol raises serious questions for Christians, Jews, Muslims and others who have a keen awareness of the dangers of idolatry," he said. "It's a kind of ersatz sanctification of a national symbol."

"You can burn a cross and no one will put you in jail," said Robert Bellah, a sociologist at the University of California at Berkeley. "You can burn a Star of David and no one will put you in jail." To then ban flag burning, he said, seems odd. "In a nation where we claim to believe that God is higher than the nation, that's bizarre," he said.

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Policemen using batons to push back demonstrators from a barrier outside the Moscone Center in San Francisco, where the Sixth International Conference on AIDS is being held. At least 75 demonstrators demanding access to the conference were arrested.

AIDS Cases Rise for Women and Teens

By Michael Specter

Washington Post Service

SAN FRANCISCO — The next decade of the AIDS epidemic in the United States will be worse and more complex than the first, with the disease spreading among women and adolescents and into "geographical pockets" that are now considered "safe," a branch of the National Academy of Sciences has reported following a three-year study.

The report stated in blunt terms that, contrary to recent reports that suggest the AIDS epidemic may have peaked, its "dimensions are sizable and will continue to grow" for years.

The study, by a panel of the National Research Council, was made public here at the opening of the Sixth International Conference on AIDS.

The academy, the federal government's chief source of advice from the scientific community, called for a new campaign of education and prevention, including studies that so far have been hampered by Congress or delayed by the Bush administration.

Similar appeals were made Wednesday by several speakers at

the opening session of the conference, which has drawn about 12,000 delegates from 85 countries.

"We can find little credible evidence that the end of the AIDS epidemic is in sight," said Don C. Desjarlais, vice chairman of the panel and an expert on AIDS among drug abusers. "We believe the picture of AIDS and HIV infection in the foreseeable future is one of a continuing toll of sickness and death for a steadily broadening profile of individuals."

While the number of new cases of AIDS among American gay men has dropped, the report said, the prevalence of disease has increased in groups that were not counted as high-risk groups before. These were women, adolescents and drug users not using intravenous drugs.

For American adolescents, the forecast was especially troubling. Studies of recruits for military service showed that in most cities rates of infection have become equal among 17- and 18-year-old men and women. In the past, nearly three times as many men were infected as women.

The report cited a variety of statistics and surveys for its conclusions, including the rise in numbers of infected women who are sexual partners of intravenous drug users and the rise of infections among users of crack cocaine and alcohol. Although neither crack nor alcohol transmits the AIDS virus, both are heavily associated with the type of unsafe sexual behavior that does.

The proportion of all reported AIDS cases occurring among women has grown from about 6 percent in 1982 to roughly 10 percent today, the study found. In Northeast cities the figure has risen from 5 percent in 1982 to 18 percent. Most of those cases are among women who have themselves injected drugs, but the number stemming from sexual contact has grown as well.

In a surprising but positive finding, the researchers reported that, despite early fears, they could find no evidence that female prostitutes were transmitting AIDS cases to the larger heterosexual population in significant numbers. A large percentage of prostitutes reported

using condoms, and most clients said they preferred oral sex, which is not thought likely to transmit the virus.

The panel issued a variety of recommendations that flow from one theme: Do more. They expressed particular concern that the federal government continues to devote only \$200 million of its multibillion-dollar annual AIDS budget to prevention and education.

"We need to be frank and explicit," Mr. Desjarlais said at a briefing. "There has been a long American tradition of not talking about sex in explicit detail and there has been an American tradition of not providing adequate health care to people with substance abuse problems. AIDS has upped the ante."

As have many other such panels, including those of the Institute of Medicine, the President's AIDS Commission and the National Commission on AIDS, the committee found a "critical need" to conduct a broad national survey of sexual behavior and to aim prevention strategies at groups that need them most. Currently, the information used to guide most decisions on who is at greatest risk comes from the sexual behavior data in the Kinsey Report, published about 40 years ago.

The report on AIDS was by a panel appointed by the National Research Council, the academy's research arm. It did not say how much the necessary prevention efforts would cost.

But Mr. Desjarlais said the committee believed that the effort would require doubling the current estimated \$200 million spent annually by the federal government on AIDS prevention.

San Francisco Surgeons Are at High Risk

New York Times Service

NEW YORK — Researchers who studied surgical procedures at San Francisco General Hospital say that, on average, one surgeon or operating room nurse every eight years will be infected with the AIDS virus at work there.

San Francisco General serves a population that is at very high risk for AIDS. In hospitals where the viral infection is less common,

the occupational risk in operating rooms is about one infection every 80 years, the researchers say. They based the probabilities on a study of more than 1,300 surgical procedures performed over a two-month period. The risk in heart and transplant surgery was not assessed because such procedures are not performed at the San Francisco hospital.

The doctors and nurses were accidentally exposed to blood in

84 of the 1,307 operations, or 6.4 percent. Contaminated blood could have gone beneath the skin in 22 procedures, or 1.7 percent of the 1,300 operations.

But the study, which was done by the hospital and was published in *The New England Journal of Medicine* on Thursday, also found that testing for the AIDS virus before surgery would not reduce the frequency of accidental exposure to blood in the operating room.

Drug War Vow: No Vietnam

The Associated Press

WASHINGTON — The Bush administration's drug policy coordinator, William J. Bennett, defended on Thursday the government's aid to Latin American military forces in the fight against drug trafficking, denying that the policy amounted to "an escalating military intervention" or "another Vietnam."

"This is not an American invasion," Mr. Bennett said in a speech Thursday at the Center for Strategic and International Studies. "It is not an escalating military intervention," he said. "Our policy is that there will be no U.S. military personnel involved in operations."

The drug war must be fought at the source as well as on U.S. streets, he said.

"If these efforts are caricatured as another Vietnam, an American invasion or involvement in a foreign war, then we risk crippling a series of strengthened relationships that our president and the presidents of the Andean region have recently forged," Mr. Bennett said.

Newspaper editorial writers, columnists and others have likened the administration's Andean strategy to early U.S. promises that grew into the Vietnam war, but few such comments have been heard on Capitol Hill.

President George Bush met in February with the presidents of Colombia, Peru and Bolivia, and the four agreed to work together against drug traffickers. Since then, Colombia and Peru have elected new presidents.

Mr. Bennett said he hoped to complete a formal agreement soon with Peru so that the United States could start providing military equipment and training to Peruvian police and military, but not economic assistance, for now.

Economic aid and trade were however "an integral part of our plan," Mr. Bennett said.

Skepticism in Congress
Philip Shenon of *The New York Times* reported earlier:

The State Department's chief narcotics specialist has acknowledged to Congress that millions of dollars in U.S. drug-control aid to Peru will be used in part to fight leftist guerrilla groups that are said to protect coca growers and traffickers.

"I want to be very frank in saying that where the insurgency and the drug traffickers are inextricably bound together, we have to deal with them together," said Melvin

Levitky, assistant secretary of state for international narcotics matters. "We have an interest in helping them fight that insurgency."

Mr. Levitky's comments Wednesday before a House Foreign Affairs subcommittee drew a sharp, skeptical response from the panel's acting chairman, Representative Peter H. Kostmayer, Democrat of Pennsylvania.

He questioned whether the United States, which has already assigned troops to Peru as military trainers, was being drawn into a counterinsurgency war that "we cannot win."

"I continue to have grave doubts about the militarization of the Andean anti-narcotics effort," Mr. Kostmayer said. "Are we getting

the United States involved through the back door in fighting guerrilla wars?"

The Bush administration has committed \$35 million in military aid to Peru in what U.S. officials acknowledge privately, but rarely confirm publicly, is an effort to assist the Peruvian government in its decade-long struggle with Shining Path, a guerrilla group that controls large parts of the country and seeks to impose a worker-peasant state.

The president-elect of Peru, Alberto Fujimori, has not yet said whether he will accept the U.S. aid package, although he has contended in the past that Peru needs more economic, not military, assistance from the United States.

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Herald Tribune

Published With The New York Times and The Washington Post

When the PLO Returns

In suspending the American dialogue with the PLO, President George Bush did exactly what he had to do to fight the war on terrorism and to maintain American diplomatic credibility. Many Palestinians and others will feel deeply aggrieved at what they take to be a conspicuous evidence of favor for Israel. But the PLO has it within its power to restore the dialogue simply by respecting the condition — renunciation of terrorism — that it accepted when this fragile connection opened 18 months ago. Meanwhile, there are other channels in which the two can exchange views.

Israelis had pointed out that Mr. Bush could not expect to gain their full attention to diplomatic matters that concerned him until he had shown that he was as good as his word in the battle against terrorism. Having acted, Mr. Bush is in an improved position to continue his diplomacy with Israel. In this effort, the clear priority is to establish whether the Israeli government is interested in the exchange of territory for peace on negotiated terms. This is the established international settlement formula, one that previous Israeli governments had accepted. Without an Israeli readiness to

contemplate such an exchange, the pursuit of peace becomes pointless.

Before the matter of dialogue with the PLO got hot, Washington had been searching for a way to start a process intended to lead into peace negotiations. The process may now be stalled, but it remains useful and necessary to probe whether the Shamir government shares the larger purpose or whether, as some suspect, it has its own strategy involving retention of the occupied territories and indefinite denial of political rights to Palestinians living there.

Some argue that the PLO has altogether disqualified itself from a Middle East role. The PLO made a serious tactical blunder for which it, and others, will now pay. But suspicion does not diminish the PLO's centrality in the Palestinian national movement nor its place in the politics of the area. Sooner or later, the PLO, having no alternative way to serve its political objectives, must rejoin American diplomacy. In the Middle East it is always difficult to get the parties into phase, but one can hope that if the PLO does return, it will find waiting an Israeli government prepared to be a partner in peace.

—THE WASHINGTON POST.

The Cheney Defensive

Defense Secretary Dick Cheney has finally given Congress what it long sought, his idea of the size and shape of the armed forces over the next five years. That is laudable. But the 25 percent cut in forces he envisions would save only 10 percent in spending over five years, about the amount President George Bush originally proposed. That's not good enough, perhaps not even as a starting point for bargaining. Equally troubling, Mr. Cheney still hasn't set a clear policy direction. Without one, he won't have a chance to control congressional scattershots at the defense budget.

Mr. Cheney calls for an army of 12 divisions, six fewer than now and two fewer than the army proposes. He would cut the air force from 36 to 28 tactical air wings, three fewer than the air force proposes. These projections approach what Senator Sam Nunn and others on Capitol Hill have been advocating.

But many in Congress, Mr. Nunn included, are rightly prepared to mull a 4 of the navy's 14 carrier task forces. That leaves 10, more than enough to meet contingencies in the Mediterranean and elsewhere in the Third World. Mr. Cheney wants 12.

Mr. Cheney's cuts are only compared with the excessive Reagan administration budgets. They called for spending \$1,653 billion over the next five years. President Bush trimmed that by a mere \$94 billion. Mr. Cheney now proposes to cut only \$8 billion more. But even after these reductions, total defense spending

will keep rising over the present levels. Legislators will surely want more of a peace dividend when they see what Mr. Cheney did not cut: billions to develop "star wars," and billions more for needless weapons like B-2 Stealth bombers, A-12 fighter planes and C-17 cargo transports. And they will find it hard to understand why a 25 percent cut in overall forces would reduce operations and maintenance costs by only 10 percent. No wonder even many of Mr. Cheney's fellow conservatives are prepared to cut much further.

The secretary is a Washington pro who knows how to stake out a bargaining position. But even so, it is almost incomprehensible that he makes virtually no effort to shape the defense policy debate and structure the bargaining process. He keeps insisting that the world has not changed all that much. That is no way to keep credibility and exercise leadership.

His caution may be understandable for a man who watched détente disintegrate when he served as President Gerald Ford's chief of staff. But the 1990s won't be a replay of the 1970s. The collapse of the Warsaw Pact has brought that home to Congress — and to many administration officials.

The best secretaries of defense dominate congressional debate by taking the offensive and putting forward sensible programs with a strong policy rationale. Without either, Congress is likely to save the pork and cut the beef.

—THE NEW YORK TIMES.

Free Trade in Ideas

Exposure to Western ideas helped undermine communism in Eastern Europe. So it is scarcely surprising that Communist regimes in Cuba, North Korea and Vietnam now worry about infection from Western visitors, cultural imports and educational exchanges. Perversely, U.S. law helps hard-liners exclude American ideas by restricting the right of Americans to travel to those lands.

A worthy bill before the House would ease travel restrictions to countries where Americans face no likely physical danger. It would also tighten travel barriers where Americans face such risks. And it would reduce Washington's power to restrict the entry of controversial films from abroad.

The bill, sponsored by Representative Howard Berman, a California Democrat, has won support from Vietnam veterans but is opposed by many anti-Castro Cuban-Americans. It awaits subcommittee action before the July 4 recess.

U.S. citizens may travel legally to the five countries now under U.S. economic embargo: Cuba, North Korea, Vietnam, Cambodia

and Iran. But Americans traveling to Cuba are barred from spending money there; travel agencies and private groups are prohibited from organizing tours to the three affected Asian Communist countries. No similar currency restrictions apply to Lebanon or Libya, where the risk of kidnapping threatens travelers. Passport restrictions on travel to those countries are too easily evaded.

The Berman bill would fit U.S. travel regulations to present realities. Currency restrictions would be applicable where Americans are in actual danger.

The bill would also end a form of political censorship. The United States is bound by treaty to permit free entry of films with an educational, scientific or cultural character. But the U.S. Information Agency has restricted certain films based on their political content. The bill would end that practice.

Mr. Berman has named his measure the Free Trade in Ideas Act of 1990. That is a just description, and its enactment would honor American law.

—THE NEW YORK TIMES.

Other Comment

Awaiting Israel's Moderates

It scarcely comes as any surprise that Yitzhak Shamir's first moves have been to redefine his "peace plan" into a blueprint for a settlement that would institutionalize an arrangement that would be indistinguishable from the apartheid system being abandoned in South Africa. The bright side is that Israel does now have, after more than six years of paralysis, a real opposition party. By all accounts, most Israelis support the more moderate approach of dialogue and negotiation urged by the Labor Party. This confrontation undoubtedly will lead to new elections in Israel within a fairly short time; the only real question is whether such elections can come before the Shamir government's hard-line policies induce a new cycle of violence that almost inevitably would lead to a new war in the Middle East.

—The Baltimore Evening Sun.

Try Truly Burning Issues

Here is a list of issues that are more deserving of debate by Congress than an amendment burning down the federal budget deficit. Reducing the federal budget deficit. Getting a grip on the savings and loan

crisis. The war on drugs. A national energy policy. Breaking the welfare dependency cycle. Rescuing our core cities. Passing a workable crime bill. Passing a new farm bill. Downsizing the Pentagon. Figuring out why "most favored nation" trade status is awarded to nations that we don't really like in the first place.

Bringing back major-league baseball to Washington, D.C. Granting statehood to the District of Columbia. Granting statehood to Puerto Rico. Aw, what the heck, granting statehood to Guam. If any of those jurisdictions become states, we'll have to burn all the old 50 state flags, anyway.

Passing a resolution that says it's really O.K. if the United States is not a world soccer power. Passing a resolution that says it's really O.K. if Quebec secedes from Canada, just so long as Quebec doesn't want to become the 51st state.

With all the issues on the line, it is really worth plunging the nation into a divisive and constitutionally risky debate over flag-burning, based on the demented actions of a half-dozen people out of a nation of 250 million. If your answer is "yes," the congressional debate over the 2 Live Crew rap group is next.

—The Madison Wisconsin State Journal.

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Peace Can Arrive When the Arabs Want It

By A. M. Rosenthal

NEW YORK — There he goes again, J. Danforth Quayle, vice president of the United States, doing that peculiar thing that seems to have become a habit with him. Listen to him: The man is actually trying again to tell Americans the truth about the realities of the Middle East conflict.

Listen to all the unfashionable things he is saying — how for decades Israel's hopes for peace were met by Arab rejection; how it was Israeli victories that discredited the war option for so long; how the alliance between the United States and Israel has benefited both countries and the cause of peace; how the United States as well as Israel is menaced by terrorism; how a strong American-Israeli relationship is now more important to each country than ever.

You don't hear that ally talk much around Washington these days; gone right out of style. Mr. Quayle does not pretend that there are no differences between the countries nor does he criticize Bush administration positions that the Israelis dislike. But in a Washington speech to supporters of Israel on June 11, he showed again that the administration can disagree with Israel without distorting the historic truth. Time and again, twisting or rewriting history has brought war and the destruction of civilizations.

Unhappily, just two days later Secretary of State James Baker turned reality on its head. He said that if the Israelis wanted peace, they should call the White House. He read off the number. That insulting sound bite will pass in time. Mr. Baker, the president and the Israelis are too sensible to let a piece of penmanship fester long. I hope.

But the plain, harsh implication was that if only the Israelis would negotiate, make a deal, peace would arrive. That perpetuates the single most dangerous myth about the Middle East.

The truth is exactly the opposite. Since the day of its nationhood, the Arab states have tried war, economic boycott and terrorism against Israel. They have tried everything except direct talks clearly aimed at establishing peace between them and Israel. The Israelis pleaded for negotiations. They were willing to pay for them with the greatest of treasures, land. One man answered — Anwar Sadat. From the Israelis he received the huge Sinai desert. From

the Arabs he received hatred and then death. Just this past Monday, Prime Minister Yitzhak Shamir invited the dictator of Syria to Jerusalem for talks. It was no surprise when Hafez Assad refused. But it did demonstrate the truth — that the Arab states will not negotiate. Consider what the world reaction would have been if, just to dream a while, the invitation had gone from Syria to Israel and been rejected with contempt.

The issue of which side has been refusing negotiation is not a matter of yesterday but of today and tomorrow — life and death today or tomorrow. As long as the Arab states refuse to negotiate directly with Israel, as long as they keep harping of Israel burning and dreams of her extinction alive in their people, Israelis cannot expect peace to come to the Middle East. They will have to stand by their arms.

The Palestine Liberation Organization remains a group that practices terrorism — to the point where President George Bush reluctantly but sensibly suspended talks with it.

In any case, Palestinians themselves, even if they wished, could not give Israel peace.

To a New Reality of Trust

ISRAEL accepts the legitimate rights of the Palestinian people and their wish to free themselves from Israeli rule. We have offered free and democratic elections in the territories. The Jewish nation has never sought to dominate another people, nor does it wish to now. At the same time, the Palestinians must recognize Israel's right to security, with special attention given to its geopolitical situation and historical experience.

How do we proceed to peace? Certainly not by propaganda campaigns. Nor by one-sided UN decisions. Peace can come only as a result of mutual recognition of the interests of both sides, together with compromise compatible to us both. There is no solution by force, not for them and not for us.

The cycle of violence must be stopped if the

Still, the Israelis have proposed talks toward Palestinian elections and autonomy — not independence. As long as nine years ago, according to Sol Linowitz, President Jimmy Carter's special negotiator in the Middle East, Israel agreed to 25 important areas of self-government for the Palestinians, including taxation, justice, budget, religious affairs and local police — "four-fifths of an agreement."

But real peace depends on the Arab states. Mr. Baker and Mr. Bush do not have that in their power, but they can do three things to help.

One is to appoint another special envoy to work day after day on the Middle East, on the spot, for the other fifth of the autonomy agreement with the Palestinians, and to search for an Arab leader brave enough to negotiate peace with the Israelis.

The second is to tell the historic reality to the whole world. Vice President Quayle's speech would serve as a useful crib sheet.

Third: Mr. Baker, when he next appears before the Senate, can read out another telephone number. This time he can urge the Arabs to call it. The number is 972-2-705-555, the Jerusalem office of the prime minister of Israel.

Somebody will answer.

The New York Times.

Middle East is to avoid deteriorating into violent turmoil. The alternative is an active peace process where both sides gradually advance to a new reality of mutual trust, compromise and understanding.

These are the alternatives. In the long run, there is no third way. It is either the continuation of violence and terror or an active peace process. As Emerson wrote, "The only thing necessary for evil to ensue is for good men to do nothing."

The Palestinians must understand and accept that the future lies not with the vilification of Israel, whether through the international community or the United Nations. Rather it lies in working together with us. For this, they will have to move from demonization of their adversary to a compromise with their neighbor.

—Uriel Savir, consul general of Israel in New York, commenting in The New York Times.

The Problem to Deal With Is the Israeli Occupation

By Daoud Kuttab

JERUSALEM — Public threats from Washington only strengthen radical elements in the PLO. These elements have long been calling on the Palestinian movement to break off the dialogue with the United States, which has produced practically nothing for the Palestinians.

The attempt by 16 Palestinians to reach the shores of Tel Aviv and Ashdod on May 30 came against a background of deep frustration among Palestinians. Israel has refused peace initiatives from the Palestinians, Egyptians and Americans.

Palestinians of all ages and walks of life are daily being killed and injured in the territories. Universities are still closed. In the long run, even the survival of the Palestinians in the territories is indirectly threatened by the freedom that Israel is giving its new Soviet immigrants to settle in Palestinian territory.

When the operation took place,

more than 40 Palestinian leaders in Jerusalem were on the 10th day of a hunger strike. They were calling for international protection for unarmed Palestinians and for a neutral investigation into the crimes committed by Israel in the occupied territories. The hunger strike was called off after the U.S. veto of a United Nations Security Council resolution that would have called for sending a fact-finding delegation to the occupied territories.

A genuine debate is going on within the Palestinian community as to the best way to end the Israeli occupation, but there is absolutely no debating that the PLO represents all Palestinians. Trying to eliminate the PLO from the peace process is no different from attempting to eliminate any role for the Palestinian people.

Even if Yasser Arafat were willing to swallow his pride and sustain the

dialogue with the United States, he simply is not authorized to fire Muhammad Agha. The PLO is an umbrella organization in which decisions are made democratically. The 425-member Palestine National Council, which is like a parliament in exile, is the only body that can elect or dismiss executive committee members.

This fact was admitted indirectly by the Israelis last year, when Mr. Arafat told French reporters that he considered the Palestine National Council out of date. The Israelis quickly and correctly noted that, even if he desired, he could not amend or cancel the covenant, since that requires the approval of a two-thirds majority of the council.

The Americans are in for a surprise if they think that Palestinians inside or outside the occupied territories will cooperate with them without the PLO.

For Palestinians, a Time of Discouragement and Fear

By Mohammad Tarbush

GENEVA — Palestinians are afraid. You don't have to be hysterical to imagine escalation toward an ever more explosive situation.

Israeli-Palestinian relations have reached an impasse with the failure of all parties to get the peace process moving. The Bush administration, despite its strenuous efforts, is perceived by Palestinians as having failed to convince the Shamir government to adopt its own peace plan. Significant Israeli opinion in favor of negotiations with the PLO is not reflected in the makeup of the new Israeli government.

Palestinians see Israel's present leaders playing for time in the belief that if they withstand American pressure for another year, the attention of the Bush administration will focus on the next presidential election and enough Soviet refugees will have

arrived to change the demographic map of Israel substantially and strengthen the hard-liners' argument for holding on to the occupied territories.

Meanwhile, the Israeli public appears to have become accustomed to the intifada and violent repression of stone-throwing youngsters.

In the territories, people are growing wary of the pressure on them to maintain a low level of violence in their resistance to the occupation. They are aware of the diminishing symbolic value of their stones. They look to the PLO leadership outside, and beyond it to the leaders of Arab countries — but they see an Arab world submerged in inter-Arab conflicts

and failing to deliver promised financial aid. It is estimated that real disbursements to Palestinians under occupation have amounted to less than 20 percent of the \$300 million that Arab leaders pledged at their summit meeting in Algiers in June 1988, when they undertook to support the Palestinian uprising with "all possible means."

The Arab summit meeting in Baghdad at the end of last month, which produced little more than rhetoric, brought further discouragement.

The Bush-Gorbachev summit all but ignored the Middle East. The intention cannot be to leave the ground clear for extremists on both sides. In fact, the U.S. government is uniquely qualified to promote peace between Israel and Palestinians.

International Herald Tribune.

Shamir Will Have to Act, and He Will Need Help

By Ze'ev Chafetz

TEL AVIV — Yitzhak Shamir is a man who, in his three terms as prime minister, has elevated inaction to an art form. The unity government, which balanced Likud and Labor, hawks and doves, was a perfect vehicle for him precisely because it provided an excuse for political and diplomatic paralysis. His new coalition offers no such option. Sooner rather than later, he will have to do what he likes least — make hard decisions about peace.

On his left, the Bush administration and the Israeli Labor Party — magically transformed from docile junior partner to a fighting opposition — are pushing hard for Israel to renew its peace initiative and sit down for talks with a Palestinian delegation. The short-term goal of the peace initiative is a conference in Cairo, followed by West Bank-Gaza elections, and the establishment of Palestinian autonomy. But Mr. Shamir is well aware that there is a long-range aim as well: Israel's withdrawal from most or all of the occupied territories, and the eventual establishment of Arab sovereignty.

This is something that Mr. Shamir, a lifelong hard-liner, opposes. His method has been to postpone, but he is already being pressured by at least half a dozen far-right militants in his coalition to annex occupied land. The super hawks want, at a minimum, a policy of massive Jewish settlement in the West Bank and Gaza — and no peace talks.

At the center of the Shamir government is Likud, a right-center bloc which has ruled for most of the last 13 years. This time however, the

more left-leaning Labor partners of the unity government have been replaced by politicians from the far right, tilting the entire cabinet in a more hawkish direction. In the face of such diametrically different demands, Mr. Shamir's problem is simple. He must keep Arabian pressure at a manageable level, while holding together his narrow coalition. The solution is as tricky as squaring a circle. To form a government, the prime minister needed only the support of the radical right; to govern, he requires the cooperation of the Bush administration and the Labor Party. It is difficult to see how he can have both.

This is largely a matter of arithmetic. Mr. Shamir's coalition, minus the votes of the three small, super-hawkish parties that support him, equals 55 members of the Knesset, six fewer than the majority he needs to sustain his government. These parties have made it clear that they will not go along with any serious diplomatic initiative, especially not the kind that the American government advocates. Any attempt by Mr. Shamir to freeze settlement, or to revive the peace process, would almost certainly lead to a walkout.

But there is another set of numbers in the equation. The hundreds of thousands of expected Soviet immigrants, minus massive American financial support, equals economic and social chaos for Israel. This is a real possibility. Past American presidents have not used foreign aid as a lever against Jerusalem, but the Bush administration gives every indication of planning to do so.

Mr. Shamir's inclination is to edge as far toward the center as possible. To do that he will need the cooperation of two ex-generals-turned-politicians, Ariel Sharon and Yitzhak Rabin. Mr. Sharon, leader of Likud's militant wing, is the minister of housing in the new government. An ambitious man, he wants to follow the aging Mr. Shamir as prime minister. To do so he will have to succeed in his primary task — building tens of thousands of homes for Soviet immigrants. If he becomes convinced that this is possible only with U.S. aid, and that such

aid depends on diplomatic movement, he could become an improbable force for moderation.

Mr. Sharon is less ideological than is often supposed — unlike Mr. Shamir, he voted for the Camp David accords — and he has been known to display flexibility when his political interests are concerned. With his support, Mr. Shamir could conceivably renew the peace process, albeit at a cautious pace.

Such a move would probably drive the super hawks out of the coalition. That is where Mr. Rabin comes in. He has recently launched a challenge to the Labor Party leader, Shimon Peres. If he succeeds — and his chances seem better than even — he is on record as favoring another unity government, in which he and his colleagues would play a restraining role.

The writer is managing editor of Jerusalem Report, a weekly English-language magazine set to come out in September. He contributed this comment to the Los Angeles Times.

The New York Times.

100, 75 AND 50 YEARS AGO

1890: Peace 'Pow Wow'

NEW YORK — Reports concerning troop movement against the Cheyenne Indians in Wyoming say that a big "pow wow" has been held between U.S. officers and Chief Two Moons. The Indians have agreed to disarm, but another big date is set for July 1, at which Porcupine, the chief who claims to be Christ, will deliver a harangue.

1915: The Neutral Pope

PARIS — The Vatican's strict neutrality is emphasized in an interview with Pope Benedict XV. While expressing his grief and his horror at the many crimes committed during the present war, the Pope would not undertake to apportion blame, saying that "the Holy See is like unto a father who loves all his children with an equal love." When asked about the sinking of the Lusitania, his Holiness said: "I do not know any more frightful crime. I have a father's heart, and that heart is torn. But do you not

think that the blockade which has tightened its grip on two European seas is condemning millions to famine is also profoundly affecting?"

1940: Moving Memorials

BERLIN — Friedrich Adolf Hitler ordered tonight (June 21) that the railroad car that the World War armistice was signed in 1918 and other memorials at Compiègne, France, be brought to Berlin after present negotiations with French plenipotentiaries. The historic coach and memorial stone monument to Gallic triumph are to be brought to Berlin, and the monument to Marshall Foch is to be preserved unharmed. The white marble monument to Gallic triumph stands a short distance from the clearing where the armistice car has been kept. Its inscription reads: "To the heroic soldiers of France defenders of the fatherland and of right, the glorious liberators of Alsace Lorraine." — From the New York edition of the New York Herald Tribune.

OPINION

In This Kind of 'Workout' Creditors Do the Sweating

By Edwin M. Yoder Jr.

WASHINGTON — The old joke goes something like this: If you owe the bank \$20,000 and can't pay, you're in trouble. If you owe the bank \$20 million and can't pay, the bank's in trouble.

Some joke. Adjust the figures appropriately and you have the current dilemma of Donald Trump. Whose dilemma, did you say? It is Mr. Trump, the brassy New York real-estate tycoon and gambling magnate, who owes the money. But it is the banks that seem to be in trouble.

Mr. Trump's creditors, including some of the top American banks, are attempting to put together a stopgap loan. The idea is to head off a default on interest payments he already owes them. If it seems mystifying, try thinking of Mr. Trump as a sort of one-man Brazil or Mexico. Their leverage with the Western banks is that their huge debts, if repudiated, could threaten the stability of the banking system itself. Or so it is said.

A good argument can be made that banks should never assume this kind of "exposure" (speaking of euphemisms), and nothing better illustrates the go-go revolution in American financial life. I recall when bank tellers looked askance even at depositors, to say nothing of borrowers. This was before credit cards, leveraged buyouts and, yes, before the national debt zoomed, under that great economist Ronald Reagan, to something over \$3 trillion. The old banking system was basically non-Keynesian and, scarred by memories of Depression bank closings, more conservative financially than it needed to be.

The Trump spectacle (like the savings and loan debacle and the junk-bond follies before it) suggests that some banks have over-corrected for their previous stodginess. Even so, are they really as prudent as they need to be? Perhaps, most of them most of the

time. But on the Orwellian principle that verbal evasions herald trouble, I have lately been noticing terms that seem designed to palliate the truth.

An example is "workout." Until I got to rooting around in some literature on the work of Resolution Trust Corp. (the cleanup crew created by Congress to liquidate the assets of failed and seized S&Ls), I'd thought of a workout as what you do with weights, stationary bicycles or jump ropes. In fact, it is the term of art for unraveling big deals that have gone sour, an art so intricate and demanding that it has become a financial specialty.

The New York Times recently described one California savings institution, seized in 1984, whose affairs were nearly defied working out. "The property was so mired in lawsuits and counter-suits... that proceeds from the eventual sale were not enough to cover the legal costs of the various parties involved." A plainer word for this, perhaps, is "mess." Or "fraud."

A favored palliative term of the hour in banking circles is "nonperforming," as in "nonperforming assets." How do these differ from mere bad loans? Well, a bad loan, as in the joke, would appear to be a loan of limited size that gets the debtor in trouble. A nonperforming loan (like, say, the notes various lenders hold on Donald Trump's Atlantic City casinos) must be of vast extent to qualify, so huge that default spells trouble for the creditor, as much as for the debtor. By all reports, there are many such loans in American bank portfolios.

It is sometimes tempting to think that the problems begin at the ad agency, rather than the counting house. Citicorp, whose subsidiary Citibank is one of the potential bag-holders in the Trump fiasco, boasts in its television advertising of holding "more student loans" than any comparable institution. I hear this over and over. It is brilliant PR, since helping students educate themselves seems as wholesome as financing an apple pie bakery.

But at last report student loans were risky assets, and if Citicorp has a vault full of them, is it good news or bad? Their ultimate guarantor is, of course, Uncle Sugar. And that means American taxpayers.

Some of my best friends are bankers, solid fellows all. I assume that most banks are in good hands, and are not being operated as piggy banks for tycoons or charity institutions for needy scholars. But things I read make me wonder. As Senator Daniel Patrick Moynihan says, once you have "penetrated the veil of money," you are never quite the same.

On the other side of the veil, where bankers work, have pluses suddenly become minuses, and creditors debtors? Have the laws of arithmetic been repealed? Is water about to run uphill? Don't bet on it — any of it.

Washington Post Writers Group.



LETTERS TO THE EDITOR

The Romanian Crackdown

In "Sanctions Won't Help Romania" (Opinion, June 20) Daniel N. Nelson writes that "any government might resolve to retake the capital city's central square from demonstrators who had occupied it for two months."

Any democratic government would have engaged in a constructive dialogue with the street opposition. Ion Iliescu, however, from the very beginning, made no attempt to consider the legitimate points raised by concerned Romanian citizens (labeled "fascists" and "hooligans") who believe that their revolution has been betrayed.

Mr. Iliescu's "mandate" (questionable to begin with), does not in any way justify the government's primitive and violent behavior of last week. Leading opposition figures are once again in hiding or arrested. Last week's events were not brought about by a "nervous" government trying to learn the rules of democracy, but represented a deliberate crackdown on any kind of dissent. This neo-communist government is using the same rhetoric, methods and authoritarian state structures as its predecessor to keep itself in power.

International criticism of Mr. Iliescu is fully justified. The Romanian government should understand that it has no place in a "common European house" if it continues to disregard the principles of political pluralism and tolerance.

MIRIAM P. CARP, London.

Brezhnev Said It, Too

My information is that the phrase "common European house," so frequent-

ly used by Mikhail Gorbachev, was first used by Leonid Brezhnev in a conversation with West German members of parliament and businessmen in November 1979. He used it in the same sense in which Mr. Gorbachev has used it: pan-Europeanism, the main Soviet propaganda theme after the signing of the Helsinki Final Act in 1975.

For that matter, Peter the Great mentioned perestroika 300 years ago.

ARNOLD M. SILVER, Luxembourg.

Britain's Many Roots

The writer of a letter titled "The British Way of Life" (May 9) seemed to demonstrate a total lack of understanding of Britain and its relationship to the rest of Europe. Ours has been a multicultural and multiracial society since Roman times. Millions of people from Russia, Ireland, Italy and other countries have become integrated in our society. My hometown was founded by Saxons more than 1,000 years ago, and our regional language (Black Country) contains many old German words. We are European, and have a common heritage and history.

DAVID COTTERILL, Wolverhampton, England.

A Doctor and His Device

Regarding the report "U.S. Doctor Uses His Suicide Device to Help Alzheimer's Patient Die" (June 7):

Bravo, Dr. Jack Kevorkian! The state has no right to interfere in the suicide of a rational individual. Dr. Kevorkian will be remembered as a hero of reason.

SAM ABRAMS, Cana, Crete.

Not Quite the Whole World

Regarding the opinion column "You Can't Learn Soccer in the Suburbs" by Michael Elliott (June 12):

Why should the whole world have the same favorite sport? *Vive la difference*, to borrow a phrase from a country that enjoys soccer as its national sport but did not qualify for the World Cup finals.

NINA MORTI GORDIN, Incisa Valdarno, Italy.

More on MBA Programs

The advertising section "1992: The World's Rendezvous With Europe" (June 14) seemed most useful. I would only add a caveat: Unfortunately there are a considerable number of MBA programs that are shoddy. The goal of a Harvard-type MBA attracts innocents who pay substantial tuition to establishments that have no serious academic base, often in small, rented premises without a library, and with teachers who are only marginally qualified. Even U.S. university programs that are accredited in the United States may not have accreditation for their overseas extensions. Your series has done a service to candidates to be careful in selecting programs.

HERBERT MAZA, Aix-en-Provence, France.

Zsa Zsa Again? ZZ!

Please! I've had enough of Zsa Zsa Gabor! There are many other people with more interesting accomplishments who could be mentioned in your columns.

BARBARA ALLEMAND, Paris.

Meet the New-Age Fogeys: They're All 30 and Under

By Henry Allen

WASHINGTON — Oh, youth, take these things as warnings: On Monday, Hale Irwin, at 45, won the U.S. Open golf tournament. On Saturday, George Foreman, at 41, took only two rounds to prove that he is a real contender for the heavyweight championship. And last week, Nolan Ryan, at 43, threw a no-hitter against the World Series champion Oakland Athletics.

News like this arouses a sly delight in those of us who have attained the age when our alumni bulletins tell us of the

middle-agers got things settled with their parents (remember a few years ago when we all had to call up our fathers and tell them we loved them?), they saw they still had problems with materialistic Republican reactionaries, except that the reactionaries were 20 years younger. Never trust anyone under 30.

Well, no. Not all young people. Not even most. But enough of them are fogeys, obviously, that a 45-year-old can win the U.S. Open. Should middle-aged people have to work this hard?

By this time in his life, Hale Irwin should be designing golf courses, which is what he did before he decided to try to win the Open again. Nolan Ryan should already have failed in a second career as a sports car racer. And George Foreman should be playing ping-pong with a neighborhood youth group, which is what he did for years before he realized that even at 265 pounds he could whip most of the young men out there.

But no. It's as if the generation now in middle years had wished some foolish wish in "The Twilight Zone" and would have to spend eternity getting what it had asked for. Imagine what old folks homes will be like in 30 or 40 years — all the ancient hippies playing guitar in their wheelchairs. Being young nowadays is a big job. Only the experienced need apply.

The Washington Post.

It's Mind Over Body

I LAST WEEKEND, I refused to swim in the nude with a party of New Age hippies. The night I was with decided I was an uptight old stick-in-the-mud and ignored me for the rest of the afternoon. I guess she was right. I was ashamed to show my shape.

When I was a kid, we boys used to skinny-dip in any old pond at the drop of our drawers. It never dawned on us to feel self-conscious, even when girls were around. They were mostly kid sisters, and they usually joined us in the altogether.

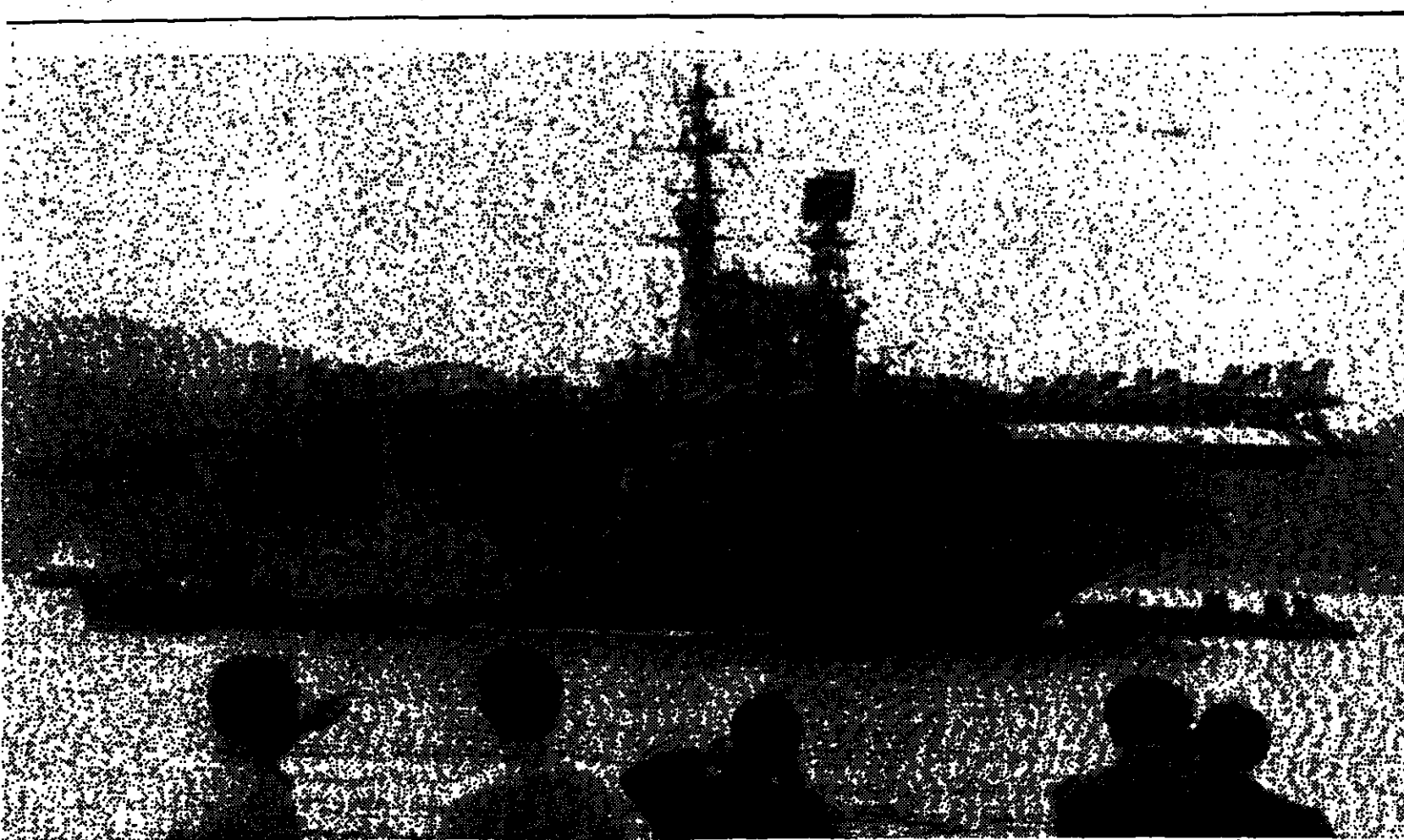
It was later, when I reached puberty, that I began to be sensitive about bodies and the frightful delights they held. Nudity had to be kept hidden, open only to other men and boys who didn't care, or, conversely, open only to the girl who cared so much it was clearly love. That ethic has held with me as I approach 60.

Oh, sure, as a young man I was proud of my body and even tried to show it off, but within bounds. This was especially true after I began to develop muscles. My brother and I would wear tight T-shirts and strut about flexing. I have since discovered a great human truth: The older you get, the less you care about your body. You tend to let nature take its course, which is toward a definite decline.

So I let the lean bellies take the fork you get, I'll settle for moms who go for old endomorphs who talk a good game and write a passable line now and then.

Billy Porterfield, Cox News Service.

GENERAL NEWS



The U.S. aircraft carrier Midway, guided by two tugboats, returning Thursday to its home port of Yokosuka, south of Tokyo, after explosions killed two crewmen.

U.S. Says Damaged Carrier Is No Threat to Japan

Compiled by Our Staff From Dispatches

YOKOSUKA, Japan — The U.S. Navy sought Thursday to assure the Japanese that the aircraft carrier Midway posed no threat to their safety after two explosions aboard the ship killed two crew members and seriously injured nine.

While U.S. officials said they had no explanation yet for the cause of the accident, they emphasized that there had never been any danger that the ship's weapons would catch fire or explode.

"The safety of the ship was never in jeopardy," Rear Admiral Lyle Bull, commander of the Battle Force 7th Fleet, said after the carrier docked at its home base the day after the explosions.

"The exact cause of these explosions is now under investigation," Admiral Bull said.

"Midway is safe and seaworthy in all respects," he added.

Outside the base's gate, about 50 demonstrators chanted "Don't let the Midway land here," and "Don't let in nuclear weapons."

Japan's chief cabinet secretary,

Mitsuo Sakamoto, said the government had asked the U.S. military to improve its safety and Yokosuka city officials demanded assurances of the 45-year-old carrier's safety before its return.

There was intense media and public interest in the accident, which took place as Washington and Tokyo prepared to celebrate the 30th anniversary Saturday of the Japan-U.S. Security Treaty, the basic agreement in their relations. Many Japanese increasingly question their country's close military ties with the United States as well as the presence in their country of 50,000 U.S. troops and U.S. armaments.

In an additional embarrassment to Washington, the incident occurred as the Midway participated in a joint exercise 200 kilometers (125 miles) northeast of Yokosuka with the Japanese Maritime Self Defense Force. Navy officials said the exercise would continue without the Midway.

The demonstrators outside the base gates charged that the ship was carrying nuclear weapons into

its home port at Yokosuka despite a Japanese ban against them. The United States as a matter of policy refuses to comment on the location of its nuclear weapons.

The protesters chanted outside the gate of the navy base for about an hour before the 67,000-ton ship moored at Yokosuka, 45 kilometers southwest of Tokyo.

Eight of the demonstrators were arrested and charged with rioting in Hiroshima and Nagasaki in 1945.

The demonstrators from three citizens' groups and the Greenpeace environmental organization held signs protesting the U.S. military presence in Japan.

About 12 protesters tried to enter the base but were blocked by Japanese police and U.S. Marines. After a few minutes of shouting and shoving, the police locked arms, pushed the demonstrators back and locked the metal gate.

City officials had demanded the Midway be barred from returning until its safety had been confirmed and cause of the incident clarified.

Admiral Bull said the casualties

occurred when a fire-fighting crew investigated smoke coming from the storeroom shortly before noon Wednesday. The first explosion occurred when they opened the hatch and entered, he said.

The admiral said the room was near a pipe for the ship's catapult system containing steam at 850 degrees Fahrenheit (450 degrees Celsius), and "water sprayed on the bulkhead turned to steam, that's how hot it was."

But he declined to speculate on the cause of the explosion or whether it was related to the steam pipe. He said the cause still was under investigation.

While Admiral Bull acknowledged there was smoke before the explosion, he said there was no proof a fire occurred. Commander Mark J. Stull, public affairs officer for U.S. Naval Forces Japan, had said earlier that a fire in the storeroom had been put out shortly after midnight Wednesday.

The admiral said the first explosion occurred at 12:30 P.M. Wednesday when fire fighters investigating the smoke opened the

hatch to a storeroom for fire-fighting and other emergency equipment on the fourth deck, six decks below the flight deck and three decks below the hangar room.

"Death most probably was instantaneous" for two of the sailors, he said. In addition to the nine seriously injured, who were flown to hospitals ashore, seven others were treated on ship.

The second explosion was 45 minutes later, Admiral Bull said.

The Midway carries a crew of 4,500 and 62 aircraft and has two steam catapults used to launch planes from the flight deck.

The carrier, commissioned in 1945, is the navy's oldest in active service, although it has been extensively modernized.

In the last major fire aboard a U.S. warship, a pre-dawn blaze broke out May 8 on the guided-missile destroyer Conyngham during operations in the Atlantic.

One crewman was killed and 18 were injured in the fire, which broke out in the engine room, officials said. The cause is under investigation.

(AP, UPI)

Judge Voices Doubts Over Fraud Trial Of Marcos

By Craig Wolff

New York Times Service

NEW YORK — The judge in the trial of Imelda R. Marcos told prosecutors that he was not convinced they had proved their case against her. And he questioned what the case was doing in a U.S. court in the first place.

While the judge said that the prosecution had a legal right to pursue the case, his comments seemed to underscore a basic contention by the defense — that testimony and documents presented at the three-month trial centered on the corruption of Mrs. Marcos's husband, Ferdinand E. Marcos, and mainly concerned events that occurred in the Philippines, not the United States.

"What is an American court — what am I doing here at 40 Foley Square trying a case involving the theft of money from Philippine banks?" Judge John F. Keenan said during a hearing at U.S. District Court in New York City. The jury was not present.

Prosecutor Charles G. LaBella, responded: "Because the dollars were diverted and sent to New York to purchase New York real estate, and that is where the fraud is charged, and that is the essence of the fraud."

Mrs. Marcos, widow of the former president of the Philippines, is facing racketeering charges that she stole about \$200 million from her country while he was in office. Mr. Marcos was originally named in the indictment. He died in September.

The Marcoses defrauded two banks, the government says, by hiding their ownership of the buildings while securing loans.

Moments after the prosecution rested Tuesday, Mrs. Marcos's lawyers told the judge that they would not call witnesses and asked that the charges be dismissed.

Later, Judge Keenan said: "I keep coming back to the question that I ask myself, which I have asked a few times here. This case really involves, tipping it down to its fundamentals, the case involves, if the government's case is to be believed, the theft by the late president of over \$200 million of Philippine government money, which was invested in New York to buy four buildings. That's the case, right? With all the fancy ornaments on the tree, that's what the case is, isn't it?"

Mr. LaBella answered: "With the fraudulent transfers, yes, your Honor, that's basically it."

ASIAN TOPICS

Buddhism Is Making Cambodia Comeback

About 85 percent of Cambodians call themselves Buddhists, and Buddhism is making a comeback after years of suppression by the Khmer Rouge. Charles P. Wallace of the Los Angeles Times reports from Phnom Penh.

By official count, there were more than 4,000 temples and 66,000 monks — 1 percent of the population — before the Khmer Rouge took over the country in 1975. A government statement in April 1989 said that in four years the Khmer Rouge executed more than 25,000 monks and destroyed 1,968 temples.

Now, temples are being repaired and rebuilt, but "it will take a long time to restore Buddhism to our country," said Tep Vong, now Cambodia's chief monk.

After the Vietnamese drove out the Khmer Rouge in 1979, the temples were reopened, but the Marxist government was ambivalent about Buddhism. It decreed, for instance, that monks must be at least 50 years old; younger men, if not in military service, were encouraged to marry and have children.

But last year the government re-established Buddhism as the state religion. The minimum age limit has been dropped, but young men must get the permission of their local mayors before they can become monks.

Around Asia

A bumper crop of opium is expected this year along the wild and mountainous Pakistan-Afghanistan frontier. Reuters reports from Karachi, Pakistan.

stan. The frontier produces more opium than anywhere else in the world except the "golden triangle" where Burma, Thailand and Laos meet. Favorable growing weather for the opium poppy is expected to produce 170 tons of raw opium in Pakistan — 25 tons more than last year — and three or four times that much in Afghanistan now that the war there is winding down.

Hong Kong, as part of its struggle with gangs, has set up a "Triad Renunciation Tribunal" that helps gang members break the traditional bond of "once a triad, always a triad" and start anew. In 18 months, success has been limited. Of the at least 100,000 members of 50 triads involved in everything from the wholesale fish business to loan-sharking and protection rackets, 386 have taken the tribunal's secret oath of renunciation. But three times as many applications for renunciation arrived in the first four months of this year as in all of 1989. The secret oath releases a triad member from earlier pledges and guarantees a pardon for the affiliation, although not for any other crimes committed.

Japan Air Lines has unveiled a giant aircraft-washing machine that can be adjusted to scrub down any plane in the company's fleet. Using robotized spraying and brushing units and controlled by computer, the machine can be operated by five people and can wash one of a Boeing 747 to an hour and 20 minutes from the four hours required for conventional methods, the company said. The \$13 million machine is 295 feet (90 meters) wide, 328 feet long and 86 feet high. It was developed jointly by JAL and Kawasaki Heavy Industries.

Arthur Higbee

Burma Stalls Final Report Of Victory by Opposition

Reuters

RANGOON — Burma delayed on Thursday the official announcement of an opposition victory in last month's elections, saying landslides and floods had prevented 3 of the 485 contested constituencies from filing their polling returns.

Diplomats in Rangoon contacted by telephone from Bangkok said the army had been caught off guard by the opposition National League for Democracy's overwhelming victory and is now playing for time.

"This may be another delaying tactic," one said.

The ruling army council, which held the elections after nearly two years of oppressive rule, has not specified how and when it will transfer power to the National Democracy League but has made it clear that nothing should change until all results are published.

The league overcame severe restrictions, including the detention of its leaders, to win 80 percent of the seats in the May 27 National Assembly elections.

Museum

WEEKEND

International Herald Tribune

- 43d Aldeburgh Festival
- A Royal House in Greenwich
- Cellist Janos Starker

Summing Up A Glass Decade In Stuttgart

U.S. Composer's Trilogy Of Operas Is Given As a Complete Cycle

by David Stevens

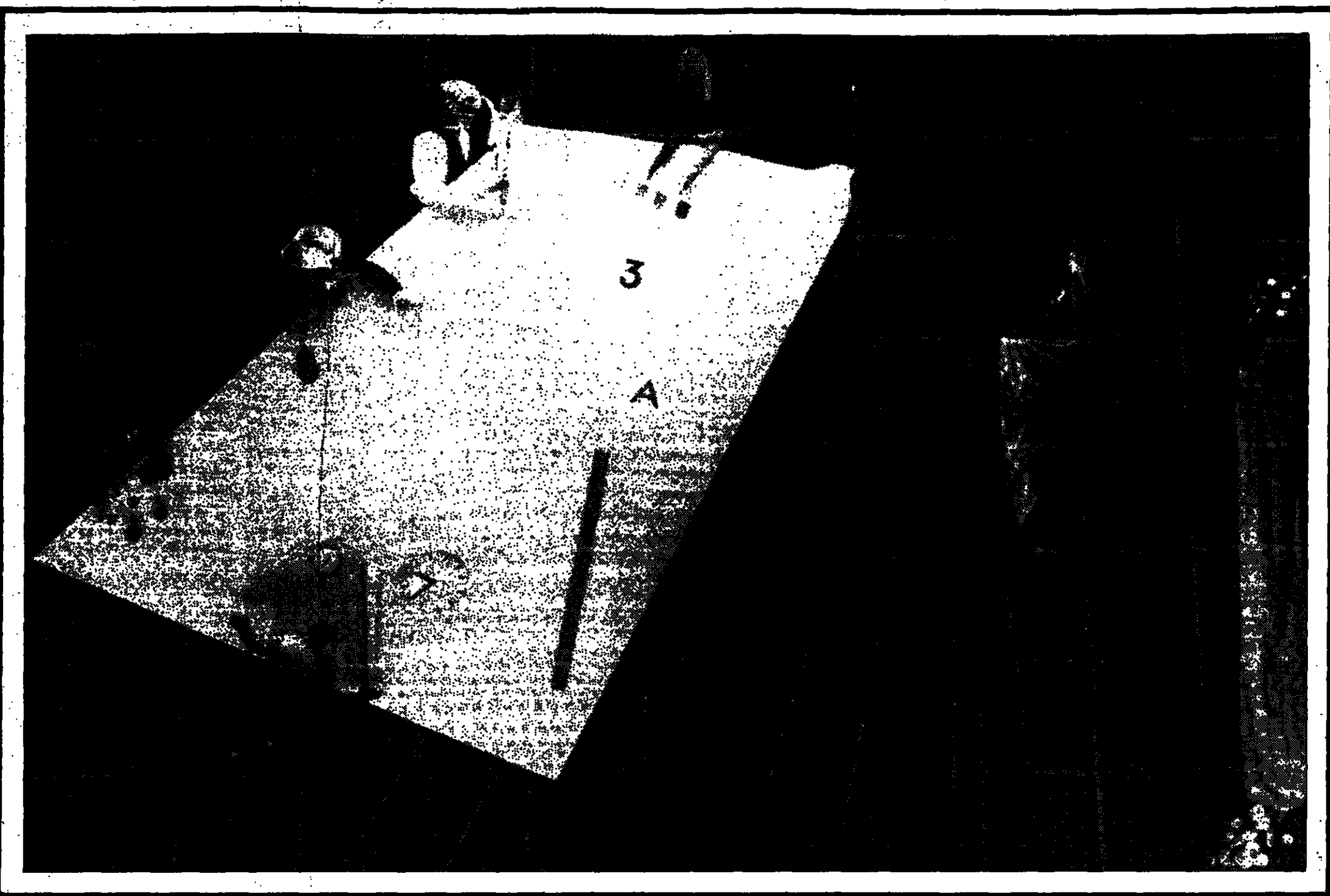
STUTTGART — "Toodle, toodle. Unbearable," scribbled an anonymous commentator on a poster alongside the announcement of the trilogy of operas by the American composer Philip Glass. But in the Staatstheater the ticket-seekers, mostly young, overflowed the foyer into the handsomely manicured Schlossgarten before the opening of "Satyagrah."

Decidedly, neutrality was not the order of the day. A major European opera house had been lavishing particular attention on the work of an American composer for almost 10 years — a first if ever there was one — and now the fruits of this labor were being presented in a single package, like the "Ring" at Bayreuth. The trilogy, as the composer and the Staatstheater choose to call it, comprises Glass's three "portrait" operas. In order of composition they are "Einstein on the Beach," originally (but not here) a 1976 collaboration with Robert Wilson; "Satyagrah," a series of tableaux on the work of the young Mohandas K. Gandhi in organizing nonviolent resistance by Indians in South Africa; and "Akhnaten," a presentation of episodes in the life of the pharaoh of the 18th dynasty who was perhaps the first monotheist in recorded history, but whose revolutionary religious innovations did not survive him.

Stuttgart has a distinguished record in championing the work of living composers — among them, in postwar years, Carl Orff and Hans Werner Henze. In Glass, a leading exponent of the American school of minimalist music, they had a composer whose popularity in his own lifetime — although not with traditional operagoers — can hardly be matched in this century by anyone since Puccini.

The audiences here for the two cycles of the three operas presented last week seemed to be made up partly of admirers come from afar for the event and partly of young locals. A Stuttgart regular surveying the public at intermission said he saw no faces he recognized from the usual opera crowd. The ovations

Continued on page 11



One of Achim Freyer's surreal stage images for the Stuttgart Staatstheater's production of Philip Glass's "Einstein on the Beach."

When Museum Images Speak Show Is Exhortation on Survival of Czechoslovak Jews

by Wendy Steiner

THE CAPTIVE leaders of the Terezin Ghetto in Czechoslovakia convinced the Nazis that the Jewish artifacts being confiscated daily should be preserved as the museum of an extinct race. Seeing the propaganda potential in this move, the Germans assigned the task to the curators at the Central Jewish Museum in Prague.

In just two years the museum's holdings increased by almost 200,000 items, all of which were carefully photographed on site before being removed to Prague for cataloging. The museum also arranged five exhibitions for the Nazis during this short time. What the Germans saw as a trophy case of archeological remains, the Jewish curators assembled as a legacy for those who would survive the Holocaust, a guide for re-establishing a Jewish way of life.

Some of these objects, and reproductions of others, have made their way to "Where Cultures Meet: The Story of the Jews of Czechoslovakia," at the Naham Goldmann Museum of the Jewish Diaspora in Tel Aviv, and can be seen there through Oct. 15. On hand for the opening in April were Moshe Arens, the Israeli foreign minister at the time, and Czechoslovakia's new president, Vaclav Havel, a Roman Catholic who promises to revitalize the synagogues of Prague. Speaking at the opening of "days of darkness for you and for us," President Havel interwove the histories of Israel and Czechoslovakia, a self-proclaimed heir of Kafka connecting nations, multiplying ironies.

The Czechoslovak revolution made this event possible, providing its curator, Natalia Berger, with access to previously unavailable materials. The exhibition reproduces one of the cases from the Central Jewish Museum, containing the original ceremonial accompaniments of death: combs for preparing hair and beards, alms boxes, nail scissors. This case, newly built in Tel Aviv, commemorates that earlier, desperate recording: it is a "green" museum, meant to fill archeology with conservation. This generation, prophetic intuition characterizes the whole Museum of the Diaspora; it is less a record than an exhortation.

The exhibition, accordingly, is thin in objects and thick in annotation, containing many more reproductions than original remnants of Jewish Bohemia, Slovakia, Moravia, and sub-Carpathian Ruthenia from the 10th to the 20th centuries. Its program is precisely that of the wartime curators in Prague who insisted that the museum cannot be satisfied with "merely processing synagogal objects or illustrating private life. Its task should include a complete and accurate record of objects which cannot be brought into the museum... such as communities, buildings, cemeteries, tombstones and memorials."

Berger frowns when it is suggested that the imbalance between material objects and the written word has something to do with Jewish prohibitions against the graven image. No, she says, it is an attempt to make images speak. The Jewish Museum in Prague is saddening because rooms of artifacts sit inert, with only minimal labels to identify them and nothing to explain their significance in Jewish history and daily life. Prague is freighted with mute objects powerless to affect the viewer except by their formal beauty; Tel Aviv supplies the missing context and history.

The history of Czechoslovak Jews is encapsulated in the exhibition title, "Where Cultures Meet." As a culture within but not of Czechoslovakia, it has endured repeated cycles of exclusion and acceptance. Medieval portraits on view show Jews surrounded by the symbols of their learning and religion, but those from the Renaissance and after often imitate gentile poses, with prosperous figures seated before a beautiful landscape, dressed and coiffed in the fashion of the day.

The cultural blending is almost comic at times, as when a Czechoslovak lion wields a Jewish cleaver on the banner of the Jewish Butchers' Guild.

AN ENGRAVING of a procession of Prague Jews celebrating the birth of a Hapsburg archduke shows a snaking line of notables, then guildsmen, artisans and servants; at the end, Bacchus carouses on a barrel pulled by horses, followed by revelers at a Jewish peasant wedding.

This assimilationary merging of Jewish and pagan imagery contrasts sharply with anti-Semitic decrees and caricatures, scenes of ghetto life, and the rituals of Jewish orthodoxy. The exhibition — over 850 objects and photographs — sets out to show that the freedom and security of Czechoslovak Jews were directly related to the stability of the rulers of the land. In the turmoil of the Protestant Hussite revolts of the 14th century, pogroms were frequent, culminating in a massacre of Prague Jews in 1389. Accused of siding with the Hussites in the 1420s, Jews were expelled from the crown cities of Moravia, an exile in force until the mid-19th century. With the increased European prosperity of the Renaissance, Jews found themselves with expanded privileges and wealth, some even becoming "court Jews." Rabbi Loew, famous for conjuring up the rebellious robot Golem, met with Emperor Rudolf II in 1592.

The Jewish artisan class expanded greatly under the friendly rubings of Rudolf II. Nonetheless, the concurrent Famulants Law of 1726 allowed only one

Continued on page 11



A 1901 photograph of two Czechoslovak Jewish children, on view in Tel Aviv.

Lithuanians Play Tragedy as Comedy

Stalinism as Theater of the Absurd

by Ron Jenkins

VILNIUS, Lithuania — A few weeks before the Lithuanian parliament elections as a candidate backed by the independence movement known as Sąjūdis and performs emotionally charged political satire in schools, hospitals, prisons, museums and collective farms throughout Lithuania.

Stany's collected the material in the revue "Who's in Favor? Who Objects? Who Abstains?" from official Soviet propaganda documents and transcripts of radio broadcasts disseminated in Lithuania over 50 years. He and his colleagues perform the contents of the documents exactly as they were written — there is no need to exaggerate for comic effect.

IN the context of the political changes sweeping through this Baltic republic, history becomes its own parody. "Audiences are shocked when they hear these texts," Stany said. "They are shocked that people actually wrote and read such idiotic words, and sang these stupid songs to the health of Stalin. Before the performance I always warn the audience that even though they lived through these times, they will be persecuted by one thought as they listen: 'It cannot be.' But it happened, and we became anesthetized to it, because 50 years of Soviet rule in Lithuania drove us out of our minds. Our socialist society was a huge loopy bin that turned us into psychic invalids. And that's why I created this revue. Now that the gates of the loopy bin are open, the theater can give us a form of group psychotherapy."

Stany's documentary satire is one of many contemporary Lithuanian theater pieces that use black

Stany's been drawn into the political arena by the urgency of current events. He ran unsuccessfully for the parliament as a candidate backed by the independence movement known as Sąjūdis and performs emotionally charged political satire in schools, hospitals, prisons, museums and collective farms throughout Lithuania.

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Continued on page 10

CRITICS' CHOICE

VENICE

Titian in the Palazzo Ducale

For the 500th anniversary of the birth of the Venetian master Titian, a compact but representative show of the artist's work is on view in 14 rooms of the Palazzo Ducale, until Oct. 7. On view are 100 paintings, drawings and frescoes, including many well-known works loaned by major museums abroad, among them the Prado, the National Gallery in London and the National Gallery in Washington, which will host the show from Oct. 28 to Jan. 27.

WEST BERLIN

A New Look at 'Lohengrin'

The last new production of the season at the Deutsche Oper is Wagner's "Lohengrin," staged by Götz

Friedrich with sets and costumes by Peter Sykora, which has its first performance on June 23. Jesús López Cobos conducts a cast headed by Peter Seiffert in the title role, with Eva Johansson as Elsa, Olivia Stapp as Ortrud, Hartmut Welker as Telramund, Jan-Hendrik Rootzeit as Heinrich der Vogler and Andreas Schmidt as the Herald.

GENEVA

A Summer of Italian Music

Italy provides the theme of Geneva's annual summer cultural program from July 2 to Aug. 28. A program of 35 musical events opens with a concert by Stéphane Grappelli and his trio at Victoria Hall and ends with a Mozart concert by the Orchestre de la Suisse Romande under Armin Jordan. Of particular interest is a production of a little-known "Don Giovanni," written by Giuseppe Gazzaniga a year before Mozart's, which

will be given four times, from July 25 to 29, in the courtyard of the Hôtel de Ville. Exhibitions include a broad selection of the engravings of Piranesi — his Vedute, Antiquities and Prisons — at the Musée Rath under the title "Les vue de l'imaginaire," and the Musée d'Art et d'Histoire is showing about 200 small gouaches done by the Swiss architect Beat de Hennezel during his voyages in Italy in the 1790s.

MARTIGNY

Modigliani in Switzerland

Working in Montmartre from 1906 to 1920, a friend of most of the great modern artists, the Italian painter and sculptor Amedeo Modigliani coolly followed an aesthetic romantic vision of his own. Elongated, wide-eyed portraits seem strangely aloof from any artistic movements of the time. Models or friends mostly share the pensive Modigliani look, the

unending neck, the slightly bent posture, of which the portrait of his mistress Jeanne Hébuterne is the archetype. A few of her works will be shown with 120 of his at the Fondation Gianadda in Martigny, Switzerland, until Oct. 28.

LAUSANNE

Photographs From Eastern Europe

Under the theme "Freedom of Creation, Freedom of Movement," Lausanne is presenting 100 photographs from Eastern Europe with such documents as a clandestine reportage taken from 1955 to 1957 by the Polish inmates of a Soviet prison camp in Siberia, an account of the 10 years of Solidarity workers' struggle in Poland, daily life in Chernobyl, the revolution in Bucharest and an East German account of the end of the Berlin Wall, as well as photos of pre-war Berlin. The works will be in the Palais de Beaulieu

from June 15 to July 22. Meanwhile, Western photographers' first glimpse of the Eastern countries as they regained their freedom will be at the Musée de l'Elysée.

(Mavis Guinand)

PARIS

The Return of 'Manon'

Massenet's "Manon" returns to its home theater for the first time in many seasons when the Opéra Comique stages the work June 26 in a production by the Metz Théâtre, staged by Christiane Issartel and designed by Jean-Noël Lavesvre. Patrick Fournillier conducts and the casting offers Léontine Vaduva and Danielle Streiff alternating in the title role, Christian Papis and Jianyi Zhang as Des Grieux, and Malcolm Walker and Marc Barrard as Lescart. A total of 15 performances is scheduled through July 15.

WEEKEND

Lithuanian Theater

Continued from page 9

comedy to exorcise the terror of Stalin's legacy. There is nothing trivial about these comedies. They are rooted in the deepest tragedies of Lithuania's cultural memory, tragedies that have been suppressed by decades of what many Lithuanians are now openly calling "the Soviet occupation."

When Lithuanian audiences react to these black comedies with laughter that explodes into cheers, they are participating in a collective theatrical ritual that affirms their determination to break away from Soviet rule. The boldness of the artists who stage these satires has helped minimize the public's worry about reprisals from Moscow.

Years before their parliament voted to dissolve ties with the Soviet Union, Lithuanian audiences defied the censors and declared their independence in darkened theaters by laughing at the architects of their occupation. In another context, the Soviet critic Mikhail Bakhtin, writing under Stalin, claimed that "every act of world history was accompanied by a laughing chorus." Although Bakhtin did not live to see the Lithuanians declare independence, their courageous comedy is an affirmation of his belief in the power of laughter to triumph over fear.

The tension between fear and laughter is one of the crucial elements in Rimantas Tumina's critically acclaimed production of "There Will Be No Death," based on the works of the Lithuanian poet Paulius Survis. The play depicts life in Lithuania under the postwar Soviet regime. In one scene, residents of a small town recite propaganda about the "sunny life of Soviet nations in the land of Stalin" before an audience of party bureaucrats who have the power to send them to Siberia. The fear of exile transforms the terrified performers into comically stilted automatons. Their humanity re-emerges only when they are out of sight of the party representatives.

"There Will Be No Death" uses laughter to make the director's point that Soviet domination robbed the Lithuanians of their humanity as well as their freedom. And one senses the rebirth of that humanity in the unbridled laughter the performance elicits from audiences throughout Lithuania.

Another example of comedic resistance can be found in the work of Kazys Saja, a 56-year-old Lithuanian playwright who was recently elected to the parliament under the banner of the Sąjūdis independence movement. Saja has spent much of the last 10 years touring the republic with satirical dialogues that use the Aesopian language of allegory to criticize the Soviet presence in Lithuania.

"Before Gorbachev came to power, I used

these dialogues as an unofficial means of communicating about forbidden subjects," Saja said. "When there was censorship the playwrights, actors and directors gave signs to the audience, and the audience understood, but nothing was permitted to be spoken aloud. We had no weapons to fight against the occupation, so words became our guns."

Sitting in his Vilnius apartment beneath a map of the 16th-century independent kingdom of Lithuania, Saja talked about one of his dialogues, "The Flea Killers." It is a conversation between a KGB agent and a history teacher turned informant. "The teacher has a psychological disorder called coprolalia," said Saja, sipping his tea impassively, with only a faint hint of irony in his expression. "It is a condition that makes it impossible for him to restrain himself from uttering obscenities. The disorder is particularly troubling when he lectures on Soviet history to his students."

The title of the piece refers to the curious fact that Lithuania, apparently, has no fleas. The teacher claims that a colleague has been spreading the theory that human beings under the stress of fear emit an odor lethal to fleas, and in the years of Stalin's terror the stench of fear killed all the fleas in Lithuania.

The fear of Stalin and of the KGB provides a source of comic relief in other Lithuanian plays, some of them on the stages of the large national theaters. Currently, at the Academy Drama Theater in Vilnius, a grotesque mask of Stalin's face is a central prop in a play called "The Awakening" by Antanas Skema. It is a prison play, and the mask is carved into the desk of a prisoner interrogator. Each character who enters the room must confront the mask's oversized mustache and staring, bulging eyes.

THE comic business with the mask evokes a few giggles in the first part of the play. But when the interrogator himself is shot and grabs the mask for comfort, the audience howls with delight at the duel of death danced out by the KGB agent and his inmate partner. When the mask crashes to the floor, a burst of applause from the audience brings the play to a stop. The director, Jonas Vaitkus, makes sure that the triumphant laughter is grounded in reality: Siberian prison music is played over the lobby loudspeakers. Listening to the songs brought back to Lithuania by survivors of Stalin's camps, many members of the audience light candles during intermission in memory of the thousands of their countrymen who died in exile.

This combination of slapstick and solemnity recurs again and again in theater productions that try to reconcile the horrors of the Lithu-



Pranas Juozas Kisielius in "The Awakening" by Antanas Skema.

lian past with the hope of the country's future. By mocking the engineers of Soviet terror, Lithuania's dramatists are symbolically neutralizing the demons of their history. Their defiant humor is a testimony to the enduring connection between the hunger for laughter and the hunger to be free.

Ren Jenkins, an associate professor of per-

forming arts at Emerson College in Boston, is the author of "Acrobats of the Soul," a book of essays about contemporary American comedy (Theater Communications Group). He spent part of this year in Lithuania, representing the Israeli playwright Joshua Sobol at rehearsals for Sobol's play "Ghetto," after the Soviet Union denied Sobol's request for a visa. He wrote this for The New York Times.

Copland at Aldeburgh

by James Helme Sutcliffe

ALDEBURGH, England — The four years that Benjamin Britten spent in the United States have borne fruit not only in the intensification of the financial aid that the American Friends of the Aldeburgh Festival provide for the composer's dream, the Britten-Pears School of Advanced Musical Studies, but in the number of American artists who take part in the festival, now in its 43rd year.

Aaron Copland, who will be 90 on Nov. 14 and is now incontestably the grand old man of American music, was represented on the festival's opening nights by both of his operas. The first was conducted by Lukas Foss, associated with Koussevitzky and Copland at the Tanglewood master classes in his formative years and now a "youngster" of 67. A perpetually stimulating composer himself, Foss also led the Britten-Pears Orchestra on June 14 in a composition by the 82-year-old American Elliott Carter — with Britain's Alexander Goehr, one of the two "composers in residence" at Aldeburgh this year.

But it was the two Copland operas that brought many to the charming fishing village on the storm-lashed North Sea coast in Suffolk. Britten's working home from 1942, when he returned from the United States, until his death in 1976.

"The Second Hurricane," which Copland brought many to high school performance, was composed in 1936. Copland played it through for the enthusiastic Britten during a visit in July 1938 to the converted mill in inland Snape, which now overlooks the Maltings Concert Hall and Britten-Pears School, adapted from an agricultural complex in the enchanting marsh landscape.

Britten's enthusiasm for young performers later prompted him to compose "Paul Bunyan," his high school "operetta," which had its first performance at Columbia University in 1941. Copland's "Hurricane" was perhaps more interesting for the audible influence it had on the British composer's first full-length work for the stage than for itself intrinsically. Britten was instrumental in persuading the publishers Boosey & Hawkes to take Copland's works into their catalogue, just as Copland later introduced Britten to Serge Koussevitzky, who came up with a commission for what was to be Britten's first international success, "Peter Grimes," based on a figure created by Aldeburgh's preacher-poet, George Crabbe.

Although the young actor-singers threw



Aaron Copland

themselves into "The Second Hurricane," with infectious élan, they could not overcome the shortcomings of Edwin Denby's diffuse libretto. The work was coupled with a dreary production of Britten's possibly least inspired work, to a translation of the Brecht poem "The Children's Crusade."

Matters were entirely different the following evening when Philip Brunelle brought his Plymouth Music soloists from Minneapolis for a semiregular performance of Copland's "The Tender Land," with the Philharmonia Chorus and the City of London Sinfonia.

Only two years ago Brunelle and his Minneapolis forces won the most prestigious recording prizes for their recording, a first, of "Paul Bunyan" on Virgin Classics, and the company this year launched its first complete recording of "The Tender Land" at the festival. The single performance here had been sold out months in advance and the audience responded warmly to the enchanting characterization of Laurie Moss provided by Elisabeth Cousseau, Maria Jette as the younger sister Beth, the wonderful singing of Dan Duesen and James Bohn as the wandering farmhands Martin and Top, as well as LeRoy Lehr's Grandpa Moss and the rousing Act 2 square dance.

Brunelle's performance of "The Tender Land" did much to enliven the dreamlike, pastoral nature of much of Copland's opera, maturely beautiful music though it is, and to charge it with more inner drama than I remember from the 1954 world premiere at the New York City Opera.

James Helme Sutcliffe is a Berlin-based critic and musician.

INTERNATIONAL ARTS GUIDE

AUSTRIA

Vienna

Historical Museum of the City of Vienna (tel: 42.8.04). To Sept. 2: The first of three exhibitions to honor the 100th anniversary of the birth of the Austrian artist Egon Schiele includes photographs, letters, manuscripts, and early sketches.

ENGLAND

London

Barbican Centre (tel: 638.41.41). To July 8: A Vision of Poland: 100 works by the Polish symbolist painter Jacek Malczewski (1854-1929). To July 8: British Figurative Painting from Sickert to Bacon, featuring works by 12 20th-century artists. British Museum (tel: 580.17.88). To Sept. 2: "Fake? The Art of Decep-

tion," the art of the imitation masterpiece illustrated in 600 exhibits. Hayward Gallery (tel: 261.01.27). To Aug. 12: The British Art Show: works by 42 young British artists including painting, sculpture, film, installations and performance art. National Portrait Gallery (tel: 556.89.21). To June 24: Contemporary portraits: portraits of 21 British poets by Peter Edwards. Golden Temple Hall (tel: 606.70.10). To June 22: The work of Paul de

Lamerie (1688-1751), the master silver- and goldsmith, is given comprehensive treatment in a show of more than 200 works. Royal Academy of Arts (tel: 754.90.52). To July 15: "Modern Masters from the German Collection," an exhibition from the Metropolitan Museum in New York, includes works by Rodin, Degas, Giacometti, Chagall, Klee and Balbus among 81 paintings, drawings and sculptures. To Aug. 19:

22nd Summer Exhibition, displays 1,204 works by artists working today. Tate Gallery (tel: 821.13.13). To Sept. 2: "On Classic Ground: Picasso, Leper, de Chirico and the New Classicism, 1910-1930" includes many works by lesser known artists from France, Italy and Spain. Victoria & Albert Museum (tel: 599.63.71). To July 1: Recent political posters from Eastern Europe and the U.S.S.R.

exhibition on the father of Egyptology Jean-François Champollion (1790-1832).

WEST GERMANY

Berlin

Hamburger Bahnhof (tel: 394.96.11). To July 29: "Ethos und Pathos," focuses on sculpture in Berlin from 1786 to 1914 in a show of 400 works by 100 artists.

Cologne

Wallraf-Richartz-Museum (tel: 2.21.23.79). To July 1: "Landscape in Light," 170 works by European and American Impressionist artists, 1880-1910.

Essen

Museum Folkwang (tel: 88.84.52). To July 12: Fifty years' photojournalism from the Magnum agency.

Hildesheim

Römer und Pelizaeus Museum (tel: 1.58.79). To July 15: "Chinese Art Treasures from Museums in the G.D.R.," includes works from 15 East German collections and museums.

Stuttgart

Württembergische Landesmuseum (tel: 279.34.00). To Aug. 19: European Glass Art from 1500 to 1850: 220 works from the Ernesto Wolf collection.

ITALY

Bologna

Cassa di Risparmio, Chiesa San Giorgio (tel: 33.91.11). To June 24: "Masterworks from the National Gallery in Prague," on view are about 100 works; represented are Corot, Courbet, Manet, Degas, Cézanne, Monet, Gauguin, Boudelle, Seurat, Munch, Kupka, Klint.

Galleria d'Arte Moderna (tel: 50.28.59). To July 31: Giorgio Morandi: a retrospective honoring the centenary of the artist's birth.

Prato

Museo d'Arte Contemporanea (tel: 570.620). To Sept. 17: "Mario Merz: Space is curved or straight," includes drawings, igloos and paintings of the past 10 years.

Rome

Braccio di Carlo Magno, Vatican Museums (tel: 698.33.33). To July 10: "Michelangelo and the Sistine

Chapel, Technique, Conservation and Myth," includes a full-size replica of a section of the Chapel ceiling, Michelangelo's preliminary drawings and related 16th-century prints. Accademia Valentino (tel: 295.10.925). To Aug. 5: "L'Art de Carver": jewels, clocks and fashion accessories are among 200 objects by the jeweler Carver made between 1847 and 1960.

Venice

Ca' Pesaro (tel: 520.92.88). To Sept. 30: As part of the Venice Biennale, a retrospective honors the Spanish sculptor Eduardo Chillida: 30 sculptures and 40 graphic works are included. Palazzo Fortuny (tel: 522.19.77). To June 24: Fausto Melotti: 60 sculptures and other works from the period 1928 to 1984.

JAPAN

Tokyo

Crafts Gallery, National Museum (tel: 211.7781). To July 1: Exhibition of furniture, tableware, textiles and architectural plans by the Belgian Art Nouveau designer and architect Henry van de Velde.

Sezon Museum of Art (tel: 5386.3874). To June 24: Exhibition of contemporary works collected by the New York art dealer Hans Sonnabend. On display are 112 works by 57 artists including Jasper Johns and Andy Warhol.

National Museum of Modern Art (tel: 214.2561). To July 8: Masterpieces from the Buntin Exhibition. 100 Japanese-style paintings, oils and sculptures awarded in Buntin, a government-sponsored contest, of 1907-1919, includes works by Takan Yokoyama, Shunsu Hishida and Takeji Fujishima.

NETHERLANDS

Amsterdam

Stedelijk Museum (tel: 573.29.11). To July 29: "Energies," a show of installations by 16 contemporary artists including Luciano Fabro, Gary Hill, Jarmy Holzer, Anselm Kiefer, Rem Koolhaas.

Van Gogh Museum (tel: 570.52.00). To July 29: Vincent van Gogh: Paintings. The largest showing of van Gogh paintings ever assembled, honoring the centenary of the artist's death, displays about 135 works. (Tickets must be booked in advance).

Hamburg

Franz Hals Museum (tel: 31.91.80). To July 22: Frans Hals: More than 60 paintings and small oil sketches by the 17th century portrait painter.

Oslo

Riksmuseum Kroller-Møller (tel: 8382.12.41). To July 29: Vincent van Gogh: Drawings. The drawings component of this year's van Gogh retrospective includes 250 works.

SPAIN

Madrid

Palacio de Velázquez (tel: 373.62.45). To July 24: "Roman Bronzes in Spain," 350 pieces selected from the more than 10,000 antique bronzes in Spanish national collections.

Fundación Juan March (tel: 435.42.40). To July 8: Cubism from the National Gallery in Prague: Picasso, Braque, Derain, as well as Czech artists are represented in 75 works.

SWITZERLAND

Lausanne

Fondation de l'Hermitage (tel: 20.50.01). To July 15: "Body and Spirit." The Olympic games of ancient Greece are the focus of this exhibition featuring 151 art works and artifacts from 18 Greek museums.

Lugano

Villa Favaria (tel: 521.741). To July 8: 48 Impressionist and Post-Impressionist works ranging from Courbet and Boudin to Matisse, Derain and Vlaminck, from the Thyssen-Bornemisza collection.

UNITED STATES

New York

Metropolitan Museum of Art (tel: 535.77.10). To July 29: "From Poussin to Matisse: The Russian Taste for French Painting." 61 works from the Hermitage Museum in Leningrad and the Pushkin Museum in Moscow.

Whitney Museum of American Art, Madison Ave. at 75th Street (tel: 570.36.33). To Sept. 16: A retrospective of paintings by Hans Hofmann (1880-1965) features 100 works. Museum of Modern Art (tel: 708.97.50). To Aug. 28: Francis Bacon: a retrospective of 80 works.

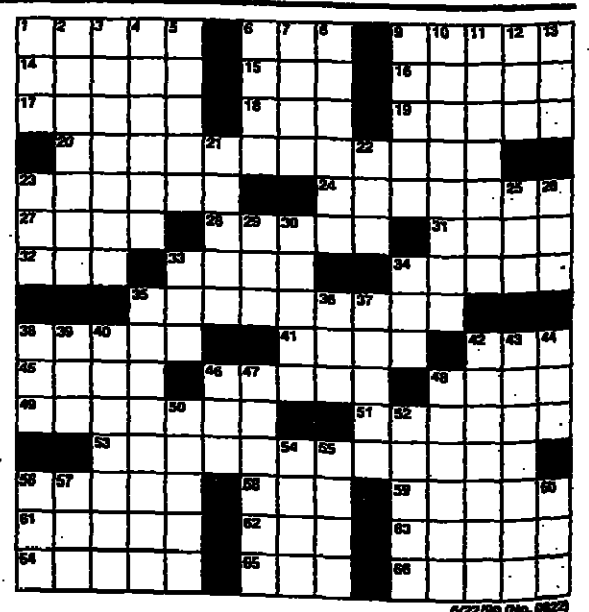
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 - 9 A Caucasian, to Hawaiians
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 - 17 "Air" homophone
 - 18 God of the lower world
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WEEKEND



Gandhi follows his narrow but well-lighted way in the Stuttgart production of Philip Glass's "Satyagraha."

3 Operas by Glass *Continued from page 9*

after each performance were impressive, 15-minute, shouting, foot-stomping demonstrations, especially when the composer appeared on stage with the man who staged and designed all three works, Achim Freyer.

What makes this a trilogy is mainly that the composer and the Stuttgart opera say so. They are not a single unit in any sense of being independent. The principal unifying elements are Glass's music, derived from his ideas about rhythmic structure and cyclic, repetitive and additive techniques, and (in Stuttgart) the prodigious visual imagination of Freyer.

They are all "portraits" of men who made an impact on the world by their ideas. And linguistically the three are idiosyncratic: "Satyagraha" is in Sanskrit, "Akhnaten" mostly in ancient Egyptian, Akkadian and Hebrew, while "Einstein" has no words to speak of at all. This means that voice and language are primarily musical elements rather than informative. Since the intelligibility of most sung texts is hypothetical anyway, the spectator is in the same boat as the Wagner or Verdi fan: study the synopsis or translated libretto, then sit back and listen.

The trilogy idea seems to have come about when Stuttgart put on the second production (after Amsterdam) of "Satyagraha" in 1981, which led to a commission for "Akhnaten," given its world premiere here in 1984, and a commitment to add "Einstein" and eventually present the three as a cycle.

One of the great assets of the Stuttgart triple bill is Freyer, one of the most imaginative and protean director-designers in theater today, although his work is not much known outside West Germany. He is a painter (with an exhibition of drawings running here concurrently with the Glass operas) who as a young man in 1950s East Berlin studied with Bertolt Brecht. He went into stage design and, like many designer colleagues, expanded into stage direction and the total responsibility for scenic presentation. He can be intellectually complex, as befits a German theater man, but his real genius is for stage pictures that glow with light and color and with mastery of space and movement, and which above all can capture the essence of a scene in a single dazzling image.

One example is the scene of Kuru Field of Justice in "Satyagraha," in which the mythical-Prince Arjuna and Lord Krishna discourse while seemingly suspended in the air, one above the other like totem figures, while two choruses representing opposing armies, or per-

haps the South African white and Indian communities, seem also to float in the air in series ranks like angelic hosts. A formidable feat of stage technology and a painterly image reminiscent of some grand medieval fresco.

Or the scene of Akhnaten and Nefertiti "at home" with their six daughters, all suspended in the air as if on a delicate Ferris wheel, bathed in a soft golden light and accompanied by the weightless sound of eight high voices—the picture of family closeness in isolation from an outside world that is about to disastrously burst in on them.

Hearing related things in close proximity tends to point up the differences. Glass was just coming to grips with the demands and resources of a real opera house as he was writing these three works between the mid-'70s and early '80s. For the original "Einstein," the pit band was his own small Philip Glass Ensemble—amplified flute, saxophones and keyboards (and here the theater went outside the house for specialist musicians for "Einstein"). For "Satyagraha," Glass has written, he wanted to project that sound with the resources of an opera house orchestra, and the result is triple winds and a full array of strings, but no brass or percussion. For "Akhnaten," Glass needed a wide range of sound, but the Stuttgart opera house was closed for renovation in 1984 and he had to fit the orchestra into the pit of the company's smaller theater. So, deep strings but no violins, a large array of percussion but no timpani, and double winds and brass.

And it seems to these ears that along with the changing soundscape there was a commensurate adjustment in style. Instead of the relatively rigid application of his rhythmic and harmonic ideas in "Einstein," for "Akhnaten" there is an understandingly richer sound palette, many of the musical gestures are more overtly dramatic as well as being expressive in a traditional sense.

ODDLY, it was Freyer's version of "Einstein" — of which there is nothing whatever left of Robert Wilson's concept or scenario — that fit least comfortably into the trilogy idea. Indeed, the Wilson-Glass version would have fit better, because Wilson's concept did include an identifiable Einstein, even playing a violin, and there were occasional allusions to his life and career.

Wilson's name is on the program cover, since he is after all the co-author, and in a

program note Freyer pays tribute to Wilson's "breath-taking production, but also says it is 'inimitable and unrepeatable.' Einstein, he says, is not interesting in a biographical sense, but only in the context of his revolutionary epoch. The pioneers of art, science and philosophy of the 1920s and later are the objects of this version, we are told. So much for a 'portrait' of Einstein.

The Freyer version is never boring to look at, although it is frequently incomprehensible. Everything takes place behind a scrim curtain resembling a large sheet of graph paper. The first image is a kind of surrealist group of characters gathered around a table, an image that returns in modified form at the end. One of the characters might have been an Einstein figure—he started out with a wildly untamed hairdo which by the final scene his head was just a red ball. Another seemed to be an orchestra conductor, a baton in his right hand and a yo-yo in his left.

For a large part of the time it resembled a Bauhaus ballet, and at others it looked as if all the colored, geometrical forms that went into, say, Dalí's or Miró's art, had come loose from their moorings and were flying through space. The result was something that happens in ballet all the time, which is the appropriation of an existing musical work (preferably by a dead composer) for entirely different purposes than it was written. This "Einstein" lasted close to four hours not for any inherent theatrical reason, but because there was that much music, and the reason there was that much music (and the reason for its structure) is that it was written to fit Wilson's specific scenic concept, now totally vanished. Where does that leave us?

In any case, this unified presentation of the trilogy, if it is one, was certainly a major theatrical event of the season, even if it has done nothing to close the gap between Glass's admirers, those who think it is all a lot of baby food, and the bemused folks in the middle. The Stuttgart house obviously spared no effort, and the musical performance—under the knowing direction of Christopher Keane and Michael Riesman (for "Einstein")—seemed in fine shape, even though these are productions that have been in repertory for a few seasons.

Meanwhile, the composer's only problem seems to be keeping up with the commissions. Currently it is "Hydrogen Jukebox," with six singers, a small orchestra and the poet Allen Ginsberg. For 1992, he owes the Metropolitan a big Columbus opera.

Barbara Bell is a Paris-based journalist.

No Wonder the Queen Liked It

by Claire Frankel

LONDON — Prince Charles, Britain's architect manque, must be pleased at the reopening of England's first wholly classical building, the Queen's House in Greenwich.

Against a backdrop of London under James I and Charles I, Inigo Jones—the royal surveyor of works—started an unsympathetic public with his innovative, elegant Italian masterpieces.

This Stuart palace is one of only seven (out of 45) of his buildings that survive. Six years of restoration and £5 million (\$8.5 million) later, the Queen's House, now viewable, is an easy excursion from London.

Designed originally for James I's queen, Anne of Denmark, building began in 1616, but was stopped three years later at her death. Work resumed in 1630 when King Charles I's queen, Henrietta Maria, the sister of Louis XIII of France, was granted the mansion.

Lavishly furnished with classical sculptures and paintings, the house was denuded during the Civil War and used as a center of entertainment during the Commonwealth years.

At the Restoration of the monarchy in 1660, Henrietta Maria returned from her exile in France as dowager queen, mother of Charles II, and the house resumed its royal status.

Meticulous attention has been paid to reproducing more than 100 pieces of period furniture from surviving examples. Silk damask wall hangings and sumptuous brocades have been specially woven. Rush floor coverings and marbling of the period, even replicas of period light fittings recreate an authentic atmosphere of court life in Restoration England.

THE VISITOR steps into the vitality of surprisingly brilliant, fresh colors. The graceful stone double staircase of the mansion leads into the dramatic, two-story, green and ochre Great Hall, with its surviving black and white marble floor, cantilevered balcony and painted ceiling. Here classical antiquity and 17th-century classicism are joined, enhanced by the Italianate statuary placed there.

It is the re-creation of the Orazio Gentileschi ceiling that is one of the marvels of the house. A large roundel surrounded by four rectangles and four smaller roundels, illustrating "Peace Surrounded by the Muses and the Liberal Arts," was installed in 1631. After



The Queen's House in Greenwich: Inigo Jones's first classical masterpiece.

the Civil War and the execution of Charles I, many of the furnishings, including the paintings, were sold. This group was in fact sold to a Mr. Latham for £600, but no one knows whether or not he was actually able to remove them from the 40-foot-high (12-meter-high) ceiling.

When Charles II was crowned, he retrieved many of his father's possessions, possibly the ceiling paintings, too, if they were missing. Later, during Queen Anne's reign in the early 18th century, her friend Sarah, Duchess of Marlborough, acquired the Gentileschi and installed them in her new London home.

The 19th century saw the Queen's House in a shabby state: a shelter for sailors' orphans, then a school. Serious restoration began only in the 1920s when it was declared an ancient monument. From 1936 onward, the house was used as gallery space by the National Maritime Museum.

The Gentileschi paintings have remained all these years at Marlborough House; their return to Greenwich was impossible. They had been chopped to fit the duchess's smaller ceiling space. The National Maritime Museum's

brief to a London firm called Graphic Palette was to recreate the original painting as accurately as possible and to restore the missing pieces—no simple task. Transparencies were made from photographs of the original and then converted into computer images on a screen. A digital paintbrush-cursor was used to fill in the missing areas. That image then was converted to another set of transparencies that were printed on easily installed, vinyl-coated polyester, enlarged to the historic size. The original paintings cost £2600 in the 17th century. This spectacular reproduction: £37,000.

You walk up the first cantilevered stairway in England, just off the grand entrance hall. The balustrade is painted a startling blue, emphasizing the floating effect.

U PSTAIRS you enter first the king's quarters which, like the opposite queen's side, have a straight view through the rooms of his apartment down the length of the house. Ceiling paintings, beautiful hand-made wall hangings, silver sconces (cast from one in a collection and bearing a

monogram of Charles II), white walls, rush floors.

The queen's chamber is quite a different matter: handwoven cloth with hand-cut silk velvet embroidered with the fleur-de-lis, sumptuous blue and white brocade. In her bedchamber, the walls are of silver and purple damask with matching valances, draperies and bedspread.

The mellow brick-vaulted basement is also open and features a son-et-lumière history of the house. Another area holds a treasury of objects from the National Maritime Museum collection: presentation swords, gold and enamel boxes, silver salvers and tureens, a Fabergé bowl.

Getting to Greenwich is part of the treat. Go all the way by boat from Westminster or Charing Cross or by the new Dockland light railway—or a combination of the two. Either way, you get a fine view of Docklands.

Admission charges: adults, £3; children and Old Age Pensioners, £1.50. Open from May 1 to Sept. 30, Monday through Saturday 10-6; Sunday 2-6.

Claire Frankel is an American journalist who lives in London.

Cellist Janos Starker as Master Teacher

by Barbara Bell

PARIS — Janos Starker ranks high on most short lists of world-class cellists. He is in Europe recording with Leonard Slatkin and the Munich Philharmonic as part of a project for RCA Victor Red Seal. But "teaching," he said recently, "is more important to me than concertizing or recording."

He teaches, he says, more than any other concert artist performing internationally—about 29 hours a week for most of the year. The contact with the young cellists "keeps me alive—musically, intellectually and emotionally."

His first students were 6-year-olds in Hungary, only two years younger than himself. "I was asked to help and by the time I was 13, I had five or six students of my own," he said. He left Hungary in 1946 for political reasons, moved to the United States in 1948 and became an American citizen six years later. For the last 31 years, he has taught at Indiana University in Bloomington, Indiana, where he is a distinguished professor with 25 official students and 10 on the side.

He is a rigorous teacher, demanding discipline on matters as simple as arriving on time for classes and as complex as developing a musical personality.

"Students have to start with discipline to get freedom," he said. "I teach them discipline so they play as they want to play, not just imitate the way I play."

In addition, he said, "the expression is that we play music, not labor at it, so I would like to teach all of my students the skill of using their bodies properly so as not to abuse themselves and to free themselves from the physical struggle, so they can concentrate on what they want to say musically."

Onstage, Starker seems cold, especially compared to such emotive cellists as Yo Yo Ma or Mstislav Rostropovich. His expression is usually dour, and much of his body stays motionless as he plays. Offstage, gruff-voiced and droll and chain-smoking Marlboros, he makes no apologies for his chilly performing image.

"I don't use theatrical motions, only musical," he said. "People have been talking about that for 50 years. It doesn't bother me any more than that they say that I don't have much hair."

Starker, 65, has what he calls a "historic hangup" that makes teaching vital to him. "I would like to make sure that things I believe in stay on after me. Through teaching they stay; through concertizing they don't."

The principles he wants to pass on include "purity, clarity, balance, construction. Those

things are based on certain rules and regulations."

In addition to his university students, hundreds of young cellists have studied with him in summer courses and in the master classes he regularly schedules during concert tours. He takes pains to be articulate with them. "Forty years ago," he said, "I decided that if I couldn't explain things, I couldn't be a teacher. In teaching, you inform people, you don't just show them how you play."

If his students suffer in his classes, they don't seem to hold it against him.

ONE former student and assistant of Starker's at Indiana, Gary Hoffman, now pursuing an international career as a soloist, jumped on a train after a performance of his own in Lyon to arrive minutes before a recital Starker was holding in Paris.

Starker tells a story about two cellists, students of Rostropovich and Paul Tortelier, who reach the gates of heaven only to be directed to hell by St. Peter.

A third cellist arrives and is asked who he studied with. To the answer "Starker," St. Peter replies: "You can come into heaven because you've already been to hell."

"A student told me that," Starker said with pleasure.

Barbara Bell is a Paris-based journalist.

Talking Images

Continued from page 9

son in a Jewish family to marry, and then only upon his father's death.

Under Joseph II's Edicts of Toleration in 1781 and 1782, the educational, juridical and occupational barriers to Jews were removed so that they could become "more useful to the state."

Full legal emancipation for Czechoslovak Jews did not come until 1867, and after that the familiar seesaw of achievement and backlash accelerated. The exhibition documents the rise of Zionism in the late 19th century, the prominence of Czechoslovak Jews in the First Republic under Thom-

as Masaryk and the horrors of the Terezin Ghetto during World War II.

The Holocaust is represented both through the Nazis' cruelty and individual reaction to it—the poems and drawings of children, the day-to-day interchange among ghetto inmates.

If this is an exhibition strong on history and context, it locates these not only in the official, political sphere, but also in the domestic life of Jewish affection and observance.

Wendy Steiner, a professor of English at the University of Pennsylvania, wrote this for The New York Times.

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WALL STREET WATCH

2 Steps Forward, 1 Back: Doin' the Market Mambo

By Floyd Norris
New York Times Service

NEW YORK — Is the "market mambo" starting right on time, with the stock market ending a two-month advance as fears grow of bad earnings reports? For the past nine months, that has been the pattern. The Dow Jones industrial average has fallen in the first month of each quarter, amid disappointing earnings reports, and then risen in the next two months: two steps forward, one step back.

It was Edward Kerschner, the chairman of the investment policy committee at PaineWebber Group Inc., who coined the term market mambo. The pattern seems to reflect a curious double vision on the part of investors.

On the one hand, they welcome evidence of slow growth in the economy, and with it the hopes for lower interest rates. But when that very slowness leads to poor profits, the companies that have disappointing earnings are taken out and shot, and overall share prices come down.

In the process, the market has shown a growing preference for secured earnings, creating what some market watchers have referred to as a new "nifty 50," a reference to large growth stocks that led the market up in the early 1970s, only to crash in 1974.

"The big, quality blue-chips tend to be where people run to when they have to get out of markets," Mr. Kerschner said. Among the Dow stocks that have produced more than 10 percent rises since the market bottomed on April 27 are Coca-Cola Co., Merck & Co. and McDonald's Corp. The pattern of fall and rise got its start in October, as companies reported disappointing earnings for the third quarter.

That month was also marked by the plunge on Oct. 13, when the Dow fell 190 points in one day. But the market soon recovered, rising in both November and December. In January, as analysts' hopes for corporate profits were once again dashed, the market again came down.

It then rose in February and March, and fell in April, as yet another round of disappointing profits was reported.

BUT MAY WAS A GREAT MONTH for the market, and June was also looking good, at least until Monday's abrupt pullback, which left the Dow average just slightly ahead for the month so far.

After the modest gains on Tuesday and Wednesday, the Dow is up six-tenths of a percent for June. If it ends up that high for the month, it would be the first time since the Dow hit a record 2,935.89, it would fit in with the pattern. In each of the two other end-of-quarter months since the erratic pattern began, the market hit its highest point in the middle of the month, on Dec. 13 and March 19.

Whether the cycle continues with lower prices in July may depend on the trend in interest rates. As it happens, there were interest-rate concerns in October, January and April.

This week has seen a modest increase in rates as the bond market has grown concerned, largely because of surprisingly strong industrial production figures released last week, that the Federal Reserve Board will not ease credit.

While the general expectation is that earnings reports issued next month will not be good — Mr. Kerschner expects profits for the S&P 500 to be 8 percent below the 1989 period — there is hope that the pattern will change in the third quarter.

"It's not that things are getting better, but that you are comparing with periods that are not very good," he said. He adds that as individual companies disappoint investors, money will pour into large growth stocks, the ones with assured market niches that are relatively immune to recessions.

The faith in such companies has become one of the most debated points on Wall Street, with opponents saying the market is being set up for a fall similar to 1974.

For the past nine months, the Dow has fallen early in each quarter, then bounced back up.

Britain's Bid to Shape EC Monetary Union Fails to Convince

By Leigh Bruce
International Herald Tribune

LONDON — British moves to adopt a more positive, active role in formulating the course of European Community monetary union may not be enough to convince its partners that it is now fully committed to EC unity, European analysts and officials said Thursday.

Chancellor of the Exchequer John Major's alternative to the EC's Delors plan for economic and monetary union and his commitment that Britain will soon participate fully in the European Monetary System are the latest steps in a year-long effort to alter the country's obstructionist image.

This shift should provide a more harmonious tone to the EC summit meeting that begins Monday in Dublin, where economic and monetary union as well as proposals for political union will be at the top of a crowded agenda.

But there is still deep suspicion on the Continent about Prime Minister Margaret Thatcher's motives. Many in Britain too believe she is determined to delay progress and that it will be up to her successor to embrace fully the country's future as an EC power, much the way the successors of Charles de Gaulle placed the Community at the center of France's foreign policy.

In Parliament Thursday, Mrs. Thatcher again made it clear she did not intend to yield control over Britain's economic and monetary to the EC's central authorities. Mr. Major's latest proposals for a parallel EC currency did not mean that Britain supported a single currency or would "surrender" its monetary policy, she said.

Analysts said the continuing gap between Mrs. Thatcher and her EC

Delors Cool to U.K. Plan

Reuters

PARIS — Jacques Delors said Thursday that Britain was moving closer to the idea of European Community monetary union, but he had doubts about its proposals of how to accomplish it.

Mr. Delors, president of the EC Commission, said he was not convinced that private use of the European currency unit in parallel with national EC currencies would help fight inflation.

Asked about a proposal by Chancellor of the Exchequer John Major for a "hard" ECU, Mr. Delors said "I have no doubts about using the ECU officially, for example for currency intervention. But I need to study the private use of the ECU in parallel. I am not convinced this is a good thing for the fight against inflation."

He also said that he was pleased by the gradual change of heart in Britain towards EC economic and monetary union.

partners meant the British government faces months of tough bargaining if it is not to be left on the slow track of a two-speed Europe.

"That outcome can be avoided and that's what most countries want, but there must be a two-track approach, it wouldn't be the first time," said a senior London-based foreign-policy expert.

In a clear example of the two-speed approach, France, West Germany, Belgium, the Netherlands and Luxembourg this week signed the so-called

Schengen accords, committing themselves to removing all border controls by 1992, in advance of EC-wide arrangements still to be negotiated.

British officials have already made the leap to a stronger commitment to EC union, but "Mrs. Thatcher does not believe in it," said a senior official on the Continent. "She has decided to go along, because she must politically, and firmly believes it will not succeed in the end."

Thus, to avoid continuing isolation, British officials must convince their EC partners that London is not only committed to providing bright new ideas but to moving forward as well.

But analysts and officials warned that if the tone and substance of British EC policies had changed, they did not expect any dramatic, quick narrowing of the gap between British reluctance and apparent Franco-German enthusiasm for speedy economic, monetary and political union.

Many in Britain, including some of the more pro-EC figures like Mr. Major, still remain skeptical of quick progress towards union. And Mrs. Thatcher is still a fierce custodian of national sovereignty.

"All of Thatcher's body language expresses her reticence, even when she is agreeing with her EC partners," said one expert. "But she has always displayed a great deal of political acumen, so she will not block movement entirely."

The change, which has gathered pace and substance in recent months but is by no means complete, has been given a decisive push by President George Bush of the United States, who has strongly backed the goal of a unified European Community.

"He made a strategic choice that he would lead on a priority basis with countries going in that direction. That means Germany is terribly

See MONEY, Page 15

Eastern Cites Overtures by Other Firms

Reuters

NEW YORK — Eastern Airlines said Thursday that it has been approached by Pan Am Corp. and Northwest Airlines about possible business ties.

"Some airlines, including Northwest and Pan Am, have approached us, on a preliminary basis, concerning the possibility of future business relationships," Eastern said in a note to employees.

Eastern, a unit of Continental Airlines Holdings Inc., is currently operating under U.S. bankruptcy law protection.

"We have responded to their requests for meetings to supply certain information," the document said.

"Sharing the appropriate information or meeting to find out what someone has in mind does not mean a merger or takeover, or that one is planned or imminent," the note added.

"It does mean that others see value in what is taking place at Eastern. And it means that the trustees must continue to evaluate all options while seeking to act in the best interests of Eastern, our employees, creditors and the traveling public."

Four Banks Hold Trump Key

By Robert J. McCartney
Washington Post Service

NEW YORK — Four foreign banks, three from Japan and one from West Germany, now hold in their hands the immediate financial fate of the struggling real estate developer Donald J. Trump, banking sources said.

The four banks are the only holdouts among dozens that have been working to put together a deal that would help Mr. Trump out of his current cash squeeze and buy him enough time to sell off assets, cut costs and boost revenue, the sources said.

More than 50 other U.S. and foreign banks have reached a tentative accord with Mr. Trump, and among themselves, on a deal that would give Mr. Trump \$65 million in fresh cash, bankers said.

But the four foreign banks, which hold the mortgage on Trump Tower on Fifth Avenue, one of Trump's few money-making properties, are still in a position to derail the pact.

[The four banks were refusing to agree to the second lien on the Trump Tower, even though it would be subordinated to the first. Some bankers and lawyers speculated that the foreign banks were holding out to force one or more large U.S. banks to buy out their interest in the loan, The New York Times reported.]

"The Trump Tower banks are not in place — the foreign banks in that syndicate seem to be balking," a banker close to the negotiations said late on Wednesday. "If they don't go along, the deal will not go through," he added.

The banker, who did not wish to be named, identified the four lenders as Mitsubishi Bank Ltd., Sumitomo Bank Ltd., Dai-ichi Kangyo Bank Ltd. and Dresdner Bank AG. It was not immediately possible to obtain comment from them.

New Bill Closes In on Penny-Stock Fraud

By Stan Hinden
Washington Post Service

WASHINGTON — Some of the most speculative "penny" stocks sold by fast-pitch brokers over the telephone will come with a money-back guarantee if congressional reformers have their way.

Under new legislation intended to attack penny-stock fraud, investors who buy shares in a shell company — one that has no stated business — will be entitled to get their money back if they don't like the kind of business the company eventually goes into.

The money-back guarantee was a key element of penny-stock legislation approved Wednesday by the House subcommittee on telecommunications and finance.

The bill now goes to the House Energy and Commerce Committee, where approval is expected.

Sales of stock in shell companies are called "blank-check" offerings because investors give the companies a free hand to do anything they want with the shareholders' money.

Government investigators have found that blank-check offerings frequently are used by stock manipulators to defraud investors.

The terms of the penny-stock bill, which had bipartisan support, were worked out with the Securities and Exchange Commission, which oversees stock offerings; the National Association of Securities

Dealers, which runs the over-the-counter market and regulates securities firms; and the National Securities Administrators' Association, which represents state regulators.

Joseph I. Goldstein, head of the penny-stock task force of the Securities and Exchange Commission, said, "I think the objectives of the bill are excellent. It will go a long way toward addressing the problems of penny-stock fraud."

Investors lose an estimated \$2 billion a year to penny-stock frauds.

Initially, the proposal was to ban all blank-check offerings, but the SEC argued that a ban would be against the SEC's basic charter — to protect investors by requiring companies that sell securities to disclose everything about themselves.

Under that philosophy, a company can win SEC approval for its stock offering even if it tells investors: "We have no business and no employees. We're selling stock to raise money. But we don't know what we're going to use it for."

Instead of banning blank-check offerings, the revised bill will require the SEC to demand more disclosure from blank-check companies and prevent them from using the money raised in the offerings until the disclosures are made. That would be in addition to giving

shareholders the right to ask for their money back.

From 1985 through 1989, the SEC recorded 2,031 blank-check offerings out of 8,932 total initial public offerings, or almost 23 percent of the total.

Blank-check offerings constituted 31 percent of the total offerings in 1988 and 1989.

In penny-stock fraud cases, the SEC has found, promoters secretly sell shares from blank-check offerings to friends to keep control of the stock. Then they turn around

and create several waves of buying and selling among gullible investors, each time raising the price of the shares.

When the promoters have made their money, they quit the market, let the price collapse and the investors are wiped out.

The proposed legislation does not affect so-called "blind pool" offerings, in which a company states a general business purpose, such as raising money for oil well drilling once the company finds a site.

Greenspan Says U.S. Growth Will Persist

Reuters

WASHINGTON — The chairman of the U.S. Federal Reserve, Alan Greenspan, dismissed fears of a recession on Thursday and said he saw no sign of a nationwide credit crunch choking off economic growth.

"All things considered, continued modest economic growth remains the most likely outcome," he said, adding that "enough credit appears to be available to fuel this growth."

The Fed chairman's comments came as the government reported economic data that analysts said could point to weakness in the economy.

Gross national product advanced a better-than-expected 1.9 percent and after-tax corporate profits gained 1.1 percent in the first quarter of this year, the Commerce Department said.

The figures also showed that inflation was moderate in January, February and March, but that consumer spending was sluggish — possibly signaling hard times ahead.

"It's obviously good news on the surface, but it doesn't bode well for the second quarter," said Irwin Kellner, chief economist at Manufacturers Hanover Trust Co. in New York. "It may be disguising weakness in the economy."

The latest monthly data suggests exports are down, he said. "But even more ominous is the revision down in consumer spending. That's two-thirds of the GNP."

First-quarter personal consumption edged up by 1.6 percent, while business investment leaped 7.7 percent. Exports of goods and services soared 12.8 percent in the quarter and imports were held to a 3 percent gain.

While acknowledging that some

borrowers were having trouble getting loans, Mr. Greenspan told the Senate Banking Committee that reflected a justifiable sense of caution by the banks.

Administration officials, lawmakers and some private economists have grown increasingly worried in recent weeks that banks are becoming so wary about lending that it could throw the economy into recession.

Banks have turned cautious as their loans have come under closer scrutiny from banking regulators following a series of bankruptcies by real-estate investors in some regions and the collapse of many savings and loan institutions.

Administration officials have suggested that the Fed should consider easing its tight grip on credit and lowering interest rates to keep the economy going.

But Mr. Greenspan showed little sign that he was listening. "There has not, so far at least, been a broad-based squeeze on credit," he said.

"Access to credit has not been reduced to an extent that has had a significant dampening influence on the American economy overall."

He said the Fed was aware of the possibility that a credit crunch could undermine the eight-year economic expansion, but added that had not happened so far.

Although credit has become tighter for commercial real estate, Mr. Greenspan said he saw no indications that ordinary home buyers were having trouble getting loans.

Construction of office buildings is down from last year, but Mr. Greenspan blamed that on overbuilding in the past sparked by the ready availability of credit from savings institutions and banks.

CURRENCY RATES

Cross Rates	June 21
Australia	1.815
Canada	1.015
France	6.545
Germany	1.936
Italy	1.366
Japan	163.26
Netherlands	2.203
Sweden	8.466
Switzerland	1.453
UK	1.645
US Dollar	1.000
West Germany	1.936
Yen	163.26
Other Dollar Values	
Canada	1.015
France	6.545
Germany	1.936
Italy	1.366
Japan	163.26
Netherlands	2.203
Sweden	8.466
Switzerland	1.453
UK	1.645
US Dollar	1.000
West Germany	1.936
Yen	163.26

Classified in London and Zurich, Reuters in other centers; New York closing rates, Toronto rates at 3 p.m.

or to buy one pound: To buy one dollar: ** Units of 100; N.D.: not quoted; N.A.: not available.

Other Dollar Values

Currency	Per \$	Per 100	Per 1000	Per 10000
Australia	1.815	181.5	1815	18150
Canada	1.015	101.5	1015	10150
France	6.545	654.5	6545	65450
Germany	1.936	193.6	1936	19360
Italy	1.366	136.6	1366	13660
Japan	163.26	16326	163260	1632600
Netherlands	2.203	220.3	2203	22030
Sweden	8.466	846.6	8466	84660
Switzerland	1.453	145.3	1453	14530
UK	1.645	164.5	1645	16450
US Dollar	1.000	100.0	1000	10000
West Germany	1.936	193.6	1936	19360
Yen	163.26	16326	163260	1632600

Forward Rates

Currency	30-day	60-day	90-day	180-day
Canada	1.015	1.015	1.015	1.015
France	6.545	6.545	6.545	6.545
Germany	1.936	1.936	1.936	1.936
Italy	1.366	1.366	1.366	1.366
Japan	163.26	163.26	163.26	163.26
Netherlands	2.203	2.203	2.203	2.203
Sweden	8.466	8.466	8.466	8.466
Switzerland	1.453	1.453	1.453	1.453
UK	1.645	1.645	1.645	1.645
US Dollar	1.000	1.000	1.000	1.000
West Germany	1.936	1.936	1.936	1.936
Yen	163.26	163.26	163.26	163.26

Sources: Reuters Bank (Reuters); Banca Commerciale Italiana (Milan); Banca Nazionale del Lavoro (Rome); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR); Goldbank (London). Other data from Reuters and AP.

INTEREST RATES

Eurocurrency Deposits	June 21
1 month	5.50%
3 months	5.75%
6 months	6.00%
1 year	6.25%
2 year	6.50%
3 year	6.75%
4 year	7.00%
5 year	7.25%
10 year	7.50%
15 year	7.75%
20 year	8.00%
25 year	8.25%
30 year	8.50%
35 year	8.75%
40 year	9.00%
45 year	9.25%
50 year	9.50%
55 year	9.75%
60 year	10.00%
65 year	10.25%
70 year	10.50%
75 year	10.75%
80 year	11.00%
85 year	11.25%
90 year	11.50%
95 year	11.75%
100 year	12.00%

Sources: All Reuters except SDR: Swiss Bank. Rates available in London and Zurich, Reuters in other centers; New York closing rates, Toronto rates at 3 p.m.

or to buy one pound: To buy one dollar: ** Units of 100; N.D.: not quoted; N.A.: not available.

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Forward Rates

3-month CD's	7.70	7.75	June 27
1-month			
Discount rate	5 1/4	5 1/4	
Call money	7 1/2	7 1/2	
3-month Interbank	7 3/4	7 3/2	
3-month Interbank	7 3/4	7 1/4	
West Germany			
Discount rate	6.00	6.00	

Merrill Lynch Ready Assets	
30-day average yield:	7.82
Teleread Interbank Rate Index:	8.148
Source: Merrill Lynch, Teleread.	

MARKET DIARY

Program Buying Boosts Stock Prices

NEW YORK — Stocks closed slightly higher in light trading on Thursday as program buying, technical factors and late gains in the bond market combined to erase the day's losses in the last hour of trading. The Dow Jones industrial average, which rose 1.74 points on Wednesday, added 6.43 to close at 2,901.73.

Among broader market gauges, the New York Stock Exchange composite index rose 0.65 to 196.49 and the Standard & Poor's 500-stock index added 1.37 to close at 360.47. The price of an average share gained 11 cents.

Advances led declines by an 8-7 margin. Big Board volume totaled 138.5 million shares, compared with 137.4 million traded Wednesday.

Dollar Closes Mixed Amid Technical Buying

NEW YORK — The dollar ended mixed in quiet U.S. trading, enlivened by technical buying during overseas trading. Once again the U.S. unit barely moved during New York trading hours.

"There was no reaction to anything," said Leslie Puth, vice president of Banque Indosuez in New York.

The dollar closed at 1.6775 Deutsche marks, down slightly from Wednesday's finish of 1.6780 DM, and at 154.80 yen, up from 153.95 yen.

The U.S. currency rose to 1.4145 Swiss francs, from 1.4125 francs, but slipped to 5.631 French francs, from 5.640 francs. The pound closed at \$1.720, down from \$1.722.

Growth in the U.S. gross national product in the first quarter was revised up to an annual rate of 1.9 percent from the previous estimate

of 1.3 percent. Economists on average had expected an unrevised figure, but the unexpected increase did little for the dollar.

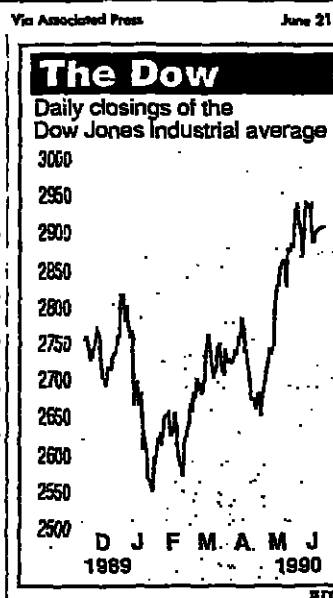
"The GNP figure muddled the picture, but it wasn't enough to make people go out and buy dollars," said Ed Johnson, vice president of Harris Trust & Savings Bank in Chicago.

Federal Reserve Board Chairman Alan Greenspan said in Senate testimony, that continued economic growth remains the most likely outcome. But the comments did not move the market.

The West German Bundesbank's deputy president, Helmut Schlesinger, said prospects were good that German prices and interest rates will hold steady in the long-term after German unification. But again the market was unmoved.

The dollar was mixed in earlier European trading.

The U.S. currency closed at 1.6798 DM, basically unchanged from 1.6800 on Wednesday, and at 154.82 yen, up from 154.02.



NYSE Most Active

Vol.	High	Low	Last	Chg.
AmEx	154.80	153.95	154.80	+0.85
AmEx	154.80	153.95	154.80	+0.85
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AmEx	154.80	153.95	154.80	+0.85

NYSE Diary

Advanced	Declined	Unchanged
775	666	666
1,048	898	898
1,048	898	898

NYSE Diary

Advanced	Declined	Unchanged
775	666	666
1,048	898	898
1,048	898	898

NASDAQ Diary

Advanced	Declined	Unchanged
775	666	666
1,048	898	898
1,048	898	898

Dow Jones Averages

Open	High	Low	Last	Chg.
Indus	2901.73	2898.00	2901.73	+6.43
Trans	117.00	116.50	116.50	+0.50
Comp	282.75	282.25	282.25	+0.50

Standard & Poor's Indexes

	High	Low	Close	Chge
Industrials	423.50	419.30	422.97	+1.85
Transp.	285.04	282.44	284.44	+0.60
Utilities	142.44	141.64	142.43	+0.13
Finance	29.28	29.01	29.22	+0.07
SP 500	348.88	357.43	348.47	+1.37
SP 100	344.68	341.17	344.02	+1.24

NYSE Indexes

Composite	176.49	176.15	176.47	+ 0.65
Industrials	242.92	241.25	242.92	+ 0.96
Transp.	176.63	175.58	176.53	+ 0.02
Utilities	93.28	92.88	93.28	+ 0.11
Finance	145.68	145.13	145.68	+ 0.29

NASDAQ Indexes

Week 48 ends

NASDAQ Indexes

Indus.	452.43	-1.34	441.10	454.70
Finance	500.77	-0.51	512.37	498.60
Insurance	453.86	-1.26	447.22	444.90
Utilities	342.02	-1.31	339.10	349.79
Bonds	480.85	-1.95	484.12	478.79
Transp.				

AMEX Stock Index

AMEX Stock Index

Dow Jones Bond Averages		
	Close	Ch'ge
Bonds	98.69	- 0.05
Utilities	91.93	+ 0.53

Dow Jones Bond Averages

NYSE 4 p.m. volume	138,578,000
NYSE prev. cons. close	144,716,910
Amex 4 p.m. volume	10,550,000
Amex prev. cons. close	13,890,000
NASDAQ 4 p.m. volume	144,592,000
NASDAQ prev. 4 p.m. volume	148,097,200
NYSE volume up	67,267,200
NYSE volume down	51,385,000

Market Sales

N.Y.S.E. Odd-Lot Trading			
	Buy	Sales	*Shrt
June 20	470,280	570,459	26,396
June 19	472,076	823,366	38,605
June 18	397,431	586,431	36,085
June 15	594,539	679,281	6,247

N.Y.S.E. Odd-Lot Trading

S&P 100 Index Options									
June 21									
Strike Price		Call-Last			Put-Last				
	Jy	Aug	Sep	Oct	Jy	Aug	Sep	Oct	
225	49 1/2	—	—	—	7 1/2	—	—	—	
250	47 1/2	—	—	—	5 1/2	—	—	—	
275	37 1/2	—	—	—	3 1/2	—	—	—	

S&P 100 Index Options

325	18 1/4	—	—	1 1/2	3 1/2	5 1/2	7 1/2
326	14	14 1/2	—	2 1/2	4 1/2	6 1/2	—
327	18 1/4	12 1/2	17 1/2	3 1/2	5 1/2	7 1/2	9 1/2
328	6 1/4	7 1/2	11 1/2	4	6	8	11 1/2
329	4	6 1/2	10 1/2	2 1/2	4 1/2	6 1/2	—
330	2 1/2	4 1/2	6 1/2	1 1/2	3 1/2	—	—
331	1 1/2	3 1/2	5 1/2	1 1/2	3 1/2	—	1 1/2
332	3 1/2	5 1/2	7 1/2	—	—	—	—

Colfax: total vol. 67,722; total open int. 264,341
 1934

Dividends

Company	Per	Ann	Pay	Rate
AmEx	1.00	1.00	1.00	1.00
AmEx	1.00	1.00	1.00	1.00
AmEx	1.00	1.00	1.00	1.00

London Metals

STOCK				
Keith Group	10PC	11-1	9-4	
STOCK SPLIT				
Brand Cos — 2-for-1				
Int'l Game Technology — 2-for-1				
JWP Inc — 3-for-2				
SUSPENDED				
Affiliated Banc Corp				

Currency Options

Bushnell Medical Equip	154.80	153.95	154.80	+0.85
BIC	154.80	153.95	154.80	+0.85
BNH Bancshares	154.80	153.95	154.80	+0.85
Brookshire Super Mk	154.80	153.95	154.80	+0.85
Cap Cities/ABC Inc	154.80	153.95	154.80	+0.85
Capitol Power & Lt	154.80	153.95	154.80	+0.85
CJM High Yld Serts	154.80	153.95	154.80	+0.85
Citizens 1st Bancorp	154.80	153.95	154.80	+0.85
Columbia Gas Sys	154.80	153.95	154.80	+0.85
DCNY Corp	154.80	153.95	154.80	+0.85
Dax Invest & Co	154.80	153.95	154.80	+0.85

European Commodities

Gascon (CR)	00	.64	7-31	6-79
Gryot Lokes	Bnce	.30	7-23	6-29
Independent Bank		.11	7-37	7-5
Lennor Corp	0	.06	8-16	8-6

Currency Options

June 71

Liggett to Restructure Into 2 Units

DURHAM, North Carolina (Reuters) — Liggett Group Inc. said Thursday that it plans to change its name to Brooke Group Ltd. and then restructure the company into two subsidiaries, Liggett & Myers Tobacco Co. and Impel Marketing Inc.

Liggett also said Bennett S. LeBow has been elected chairman to succeed William Weis, whose resignation was announced Wednesday. Mr. LeBow and Mr. Weis are partners in BSL Partners, which owns a majority interest in Brooke Partners, which controls Liggett.

Liggett also said it may repurchase up to 1 million shares of its common stock. The company said the separation into two corporations is "a major step in its plan to diversify."

Nissan Unit to Issue Notes in U.S.

NEW YORK (Reuters) — Nissan Capital of America Inc. said Thursday that it will offer up to \$1 billion of medium-term notes through a private placement, using three U.S. firms as agents.

Nissan Capital, a unit of Nissan Motor Co. Ltd. of Japan, said it believes the issue, which will have various maturities of between nine months and 30 years, is the first by a Japanese company placed in the United States under a Securities and Exchange Commission exemption.

Nissan Capital said proceeds will be used to finance dealer and consumer loans issued by Nissan Motor Acceptance Corp. and for capital expenditures for the Nissan companies in the United States.

Bolar Sued by SmithKline Over Drug

COPIAGUE, New York (Reuters) — Bolar Pharmaceutical Co. said Thursday that SmithKline Beecham Corp. had filed a complaint against it in a U.S. court, alleging that Bolar fraudulently obtained approvals from the U.S. Food and Drug Administration to market generic versions of SmithKline's product Dazolidine.

The suit also claims Bolar used fraudulent means for FDA approval of generic versions of other pharmaceutical products. It also alleges violations of the Racketeer Influenced and Corrupt Organizations Act, misrepresentation and interference with business regulations. The complaint seeks three times damages allegedly incurred by SmithKline, punitive damages, attorneys' fees and costs.

Oil Prices Bounce From What May Be a Floor

LONDON — The slide in world oil prices ended temporarily on Thursday and some traders said that prices may have finally bottomed out.

Prices generally have fallen by more than one-third this year under the weight of excess supply by Organization of Petroleum Exporting Countries.

The New York August futures contract for light, gasoline-rich

crude similar to the U.S. benchmark West Texas Intermediate advanced on strong buying Thursday, closing 25 cents up at \$17.00.

Earlier in London, North Sea Brent blend, the key European grade, eased to \$15.55 per barrel from \$15.73.

"It looks like the Brent market is very close to a floor, coming up to the next OPEC meeting," said Peter Skeats of the firm Gerald Energy in London.

OPEC is already preparing for new talks in Geneva on July 25 when its leaders promise to try again to set leakproof quotas.

"I think the market is considering finding a bottom but you can bet against the stocks," asked Peter Cignoni, a vice president in London with Shearson Lehman Hutton Inc.

U.S. crude stocks are at the highest in eight years.

Prices showed little reaction to a Kuwaiti cabinet reshuffle which

moved Sheikh Ali Khalifa al-Sabah, the Gulf state's oil minister for 12 years, to the Finance Ministry.

The reshuffle was OPEC's most-often advocated of keeping prices low to stimulate demand and discourage drilling for oil outside the Middle East.

Analysts said he might still have a voice in Kuwaiti policy. Even if this were modified, they said that output cuts now would have little impact.

WORLD STOCK MARKETS

Agence France Presse June 21

Amsterdam

Class	Prev.	High	Low	Last	Chg.
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85

Brussels

Class	Prev.	High	Low	Last	Chg.
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85

Frankfurt

Class	Prev.	High	Low	Last	Chg.
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85

London

Class	Prev.	High	Low	Last	Chg.
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85

Paris

Class	Prev.	High	Low	Last	Chg.
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85

Tokyo

Class	Prev.	High	Low	Last	Chg.
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85

Singapore

Class	Prev.	High	Low	Last	Chg.
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85

Stockholm

Class	Prev.	High	Low	Last	Chg.
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85
AmEx	154.80	153.95	154.80	154.80	+0.85

Toronto

14.00	74.00	74.00	74.00	74.00	0.00
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EUROPE

Goldsmith Vehicle Sells Unit

By Leigh Bruce

International Herald Tribune

LONDON—Anglo Group PLC, a financial holding company 37% owned by Sir James Goldsmith, announced Thursday that it was selling Anglo Leasing PLC to Summit Group PLC for £120 million (\$206.5 million) in cash.

The sale would divest Anglo Group of its only operating unit, sparking speculation among some analysts that Sir James was winding down the operation. Other analysts disagreed. Along with the sale, the group announced that it was restructuring.

"He's giving up and going to do something else," said Richard Furlong of Loring & Crickham, F&B's essentially abandoned the other shareholders and left Anglo Group as nothing more.

Anglo Group was used as a vehicle for the failed takeover attempt

on BAT Industries PLC, the tobacco and financial services giant.

Martin Green of Smith New Court PLC disagreed that the group was being shut down, saying the sale would make Anglo Group "a pure investment vehicle for Jimmy Goldsmith and his bandwagon."

The claim that Sir James was pulling out was also denied by Anglo Group director Andrew Stafford-Deitch, who said the sale was decided on "purely commercial grounds. We were offered a good price and wanted to accept it," he asserted.

Mr. Stafford-Deitch also sits on the board of J. Rothschild Holdings PLC, which controlled 75 percent of Anglo Leasing and holds 12.4 percent of Anglo Group.

He said that after paying expenses and a loan worth \$88 million, including interest, Anglo Group would have a net cash balance of £17 million. In addition,

Anglo Leasing will return a \$42 million loan facility.

"The price is a bull market price," said Mr. Green of Smith New Court.

The deal requires the approval of Anglo Group shareholders. But pointing out that all the shareholders are represented on the board, Mr. Stafford-Deitch said the result was not in question. It must also receive approval from the Office of Fair Trading.

He pointed out that the management of Anglo Leasing supported the move, because it would be joining a group also in financial services.

Mr. Stafford-Deitch also said that although Anglo Leasing was "a fine company," it "doesn't fit particularly well" with Anglo Group.

Mr. Green pointed out that the leasing company had been kept completely separate from the rest of the operation, had its own management and was left to determine strategy alone.

"It was almost like two companies sharing the same roof," he maintained.

The only remaining investment of importance is the 29.9 percent stake in the food company Ranks Hovis McDougall PLC held by Anglo Group's affiliate, Sunningdale Holdings Ltd. Mr. Stafford-Deitch said the stake was worth about \$50 million net of all debt or other charges.

He declined to elaborate on the group's plans, which will be unveiled July 25 before a meeting of shareholders.

But analysts said there were a number of possibilities, including making a bid for the whole of Ranks Hovis or seeking to sell off the stake entirely. Anglo Group might also opt to turn the shares in Ranks Hovis over to shareholders directly.

De Benedetti Bolstered in Mondadori

Compiled by Our Staff From Dispatches

ROME — Carlo De Benedetti won a round in the battle for control of Arnoldo Mondadori Editore SpA on Thursday when arbitrators ruled that his pact with other shareholders — which gave them effective control of the publisher — was binding.

The pact gave the Formenton family and Mr. De Benedetti's Compagnie Industrielle Riunita SpA a controlling stake in A.M.E. Finanziaria SpA, which owns 50.2 percent of Mondadori.

Under the 1988 pact, which expired Jan. 1, 1991, the Formentons agreed to sell their 27.7 percent package of A.M.E. ordinary shares to Mr. De Benedetti, who already holds 26.2 percent of the ordinary shares of A.M.E.

A bitter battle for control of Mondadori broke out when the Formenton family decided to link up with the television magnate, Silvio Berlusconi, who was a minority shareholder in A.M.E.

With the Formentons' backing, Mr. Berlusconi ousted Mr. De Benedetti and his allies from positions of power at the publisher.

But Mr. De Benedetti went to court, demanding the sequestration of the Formenton family's stake in the publisher.

Bernardo Libonati, a lawyer for Mr. De Benedetti's CIR, declared "we have won" after hearing the arbitration panel's verdict.

Mondadori is Italy's largest publishing group. It controls the weekly L'Espresso, the top-selling daily La Repubblica and a string of local newspapers. (Reuters, AFP)

Philip Morris Seen As Suchard Buyer

By Lawrence Malkin

International Herald Tribune

NEW YORK — Capping weeks of rumors about the Swiss coffee and chocolate group Jacobs Suchard AG, a popular Swiss financial weekly reported Thursday that it would be sold to the U.S. food and tobacco giant, Philip Morris Inc.

Both companies refused to comment on the report, and there was no independent confirmation. But analysts in New York and Zurich said the takeover would make a good fit by opening Suchard's extensive European distribution network to Philip Morris' huge array of consumer products. They estimated the price as high as \$5 billion, depending on the percentage Philip Morris buys.

The Swiss weekly Cash reported that a purchase of a majority stake would be announced on Friday. It said that the Suchard chairman, Klaus Jacobs, personally negotiated the transaction during lengthy talks in New York. He owns a majority of the company through Colina Holding AG, and his personal stake was reported to be about 60 percent.

Beaver shares in Jacobs Suchard jumped from 7,600 to 7,775 Swiss francs on the Zurich stock exchange after rising from about 6,900 six weeks ago. In New York Philip Morris was up 1/4 to 43 3/4.

Allen Kaplan of Merrill Lynch & Co. said he believed the takeover would be positive for Philip Morris, and the cost would dilute its projected earnings of \$3.85 per share by only about 7 cents over a full year.

Philip Morris, he said, has an annual cash flow of about \$3 billion and has said it could afford

acquisitions totaling up to \$10 billion without taking on more debt. The market capitalization of Suchard is approximately 5 billion Swiss francs (\$3.5 billion). Mr. Kaplan forecast that Philip Morris would pay about 28 percent above that, and Eric Bernhardt of UBS-Phillips & Drew in Zurich reckoned that would push the price of the bearer shares to between 10,000 and 11,000 francs. He said takeover rumors had already driven the price unnecessarily high.

Mr. Bernhardt said that Mr. Jacobs has wanted to retire and sell out his interests for some time, and a number of companies had been mentioned as potential buyers including Nestlé SA of Vevey, Switzerland.

Jacobs Suchard distributes coffee, chocolate and nutty foods throughout Western Europe and can offer distribution channels to Philip Morris' mature brands. Philip Morris acquired Kraft Foods in 1985 for \$13.5 billion. The tobacco business accounted for 40 percent of the group's \$44.7 billion revenues last year, and food and beer for 59 percent.

In addition to Marlboro cigarettes, the leader in many world markets, Philip Morris makes Maxwell House coffee, Kraft cheese, Parkay margarine, Post cereals, Jello, and Miller beer.

Pavlos Alexandrakis of Argus Research said that in buying up Suchard, Philip Morris would gain access to "people in Europe who know about distribution."

In London, stocks in Cadbury and United Biscuits firmed on the expectation that the Philip Morris move would be the first in an expansion program in Western Europe.

Investor's Europe

Frankfurt	London	Paris
Commerzbank	F.T. 100 Index	C.A.C. 40
2500	2450	2200
2400	2350	2100
2300	2250	2000
2200	2150	1900
2100	2050	1800
2000	1950	1700
1900	1850	1600
1800	1750	1500
1700	1650	1400
1600	1550	1300
1500	1450	1200
1400	1350	1100
1300	1250	1000
1200	1150	900
1100	1050	800
1000	950	700
900	850	600
800	750	500
700	650	400
600	550	300
500	450	200
400	350	100
300	250	0
200	150	0
100	50	0
0	0	0

Sources: AFP International Herald Tribune

Tabacalera to Sell Unit, May Shed Other Assets

Reuters

MADRID — The Spanish tobacco and food concern Tabacalera SA, describing a 3-year-long diversification program as "two ambitious," said it will sell a supermarket chain and is considering selling some of its valuable property assets.

Chairman Miguel Angel del Valle-Inclan, commenting last Wednesday on the company's results for 1989, said Tabacalera would continue activities in the food sector, which lost 1.15 billion pesetas (\$11.1 million) last year and 2.5 billion pesetas in 1988. The dairy unit Lactaria Española SA

alone lost 2.77 billion pesetas last year.

The parent company reported 1989 pretax profit of 14.11 billion pesetas, up 12.35 percent from 1988.

Tabacalera will sell its retail subsidiary Distribuciones Reus SA, which operates 425 supermarkets, after competitors objected to having to deal with Tabacalera both as a supplier and a rival, Mr. Valle-Inclan said.

He would not comment on reports that Tabacalera plans to sell some of the unprofitable food units, and he noted good results by two subsidiaries in the sector. Grupo Nabisco España and Nabisco Portugal, in which Tabacalera has raised its stake to close to 100 percent, had combined profit of 1.37 billion pesetas.

Another food unit, Camas y Conservas Españolas SA, showed profit of 358 million pesetas, Mr. Valle-Inclan said.

He said efforts to turn around losing operations would continue. Strenuous measures have already been taken, Lactaria Española's management structure has been thoroughly reorganized, two of its six plants closed down and its work force reduced by half, he said.

The unit's losses in the first half of 1990 amounted to 1.21 billion pesetas, but should not exceed that level at year's end, he said.

Core tobacco activities were doing well, he said, with a 2.7 percent increase in cigarette sales to 3.97 billion packs.

He said Tabacalera, which owns office and storage space and manufacturing plants throughout the country, was considering selling some of the property.

French Move May Give Impetus to G-7 Efforts to Ease Third World Debt

Reuters

LONDON — Chances that the meeting of Group of Seven industrial nations in July will give fresh impetus to efforts to solve the Third World debt crisis have improved with France's announcement of easier debt terms for some middle income debtor nations, bankers and economists said.

The French move on Wednesday may have signaled a partial response to calls from bankers and debt negotiators for a new initiative to help those countries who do not qualify for assistance under the Brady plan or the so-called Toronto terms.

The Toronto terms set out a range of options, from cutting debt principal by up to one third to long-term rescheduling, that can be applied to the world's poorest countries.

"To step out ahead like this puts pressure on other G7 members to afford similar treatment," said a London banker.

Two key middle income debtors, Poland and Nigeria, may be test cases for a new plan. The two countries owe most of their

debt to the Paris Club group of Western creditor governments and are seeking to renegotiate their debt on much easier terms.

But the Toronto terms do not apply to them because their gross domestic product is too high and Brady plan assistance would not help much because only a small proportion of their debt is owed to commercial banks.

President Francois Mitterrand announced Wednesday that France was cutting the interest rate it charges on the debt of four of its former African colonies to 5 percent from 10 percent.

"They clearly wouldn't have done this without some kind of notification of other creditor governments. There must have been some kind of discussion," said a London-based banker.

Mr. Mitterrand had earlier urged other Western governments to extend to middle income debtors the terms of the Toronto initiative, which was designed to relieve the debt of the most impoverished countries. Commercial bank creditors have been

lobbying their governments to formulate a new strategy along these lines to ease middle income countries' debt burden without putting all the onus on the banks as the Brady initiative had done.

"The banks are fed up of taking all the pain," said one banker in London.

For countries like Poland, Nigeria and Morocco, which owe most their debt to governments, renegotiating commercial bank borrowings would not go far towards relieving their burdens.

Commercial banks have told Poland they are not prepared to reschedule its debt until the Paris Club has made concessions.

The banks have said to Poland that they are prepared to open discussions, but they have made clear that any agreement will be conditional on the Paris Club doing something similar, said a European banker.

In February, the Paris Club granted Poland an unusually generous concession, allowing the country to postpone all interest payments until the second quarter of 1991. But bankers pointed out that the concession

Krupp Steel Orders Slip

Reuters

BOCHUM, West Germany — Krupp Stahl AG, the steel unit of Fried. Krupp GmbH, said Thursday that it has lowered its expectations for 1990 results after a strong 1989.

In the first half of 1990, incoming orders in the steel division fell 1.7 percent, the chairman, Jürgen Harnisch, told the annual shareholders' meeting.

But Mr. Harnisch said that compared with last year's extraordinarily good results, business this year could be described as good as well.

Krupp Stahl's sales rose to 8.6 billion Deutsche marks (\$5.1 billion) in 1989 from 6.6 billion DM the year before, and operating profit rose to 563 million DM from 485 million DM. But net profit fell to 99 million DM from 113 DM.

MONEY: Britain's New Efforts to Help Shape EC Policy Fail to Convince

(Continued from first finance page)

important, France to a lesser degree, and Britain off the table," maintained one senior foreign-policy expert based in London.

Sir Michael Butler, a former British ambassador to the EC and currently executive director of Hambros Bank, said that "in the real world, the United States is more interested in the whole [of Europe] than in one or two nations."

The recent suggestion by the president of the West German Bundesbank, Karl Otto Pöhl, that the EC might adopt a two-speed economic and monetary union — with Britain in the slow lane — has only served to increase the external pressure on Britain.

"These moves were felt acutely here. People have run out of options," said one analyst.

But experts and officials also point to acute pressures on Mrs. Thatcher from within her own party and government, from the country's business elite, from a stronger, newly pro-European opposition Labor Party, and from a growing

public perception that the government's stance on the EC may be damaging the economy.

"If you have an overwhelming majority of finance groups, institutions, banks, every representative organization in the country saying you have to be more European-minded, join the mainstream, it's hard to resist," said Helen Wallace, head of European Research at the Royal Institute for International Affairs, known as Chatham House.

"This is a deep secular change that has been discernible for many years; it is a shift back toward what has become mainstream," she said.

With Mrs. Thatcher weakened within her own party and faced for the first time with a resurgent Labor party and trade union movement making political hay out of their conversion to the European unity cause, "the dynamics of decision making, the whole chemistry has changed," asserted Mrs. Wallace.

Senior cabinet members, in particular the tandem of Mr. Major and Foreign Secretary Douglas

Hurd, have pushed the prime minister toward the view that the government could not afford politically to allow its EC partners to forge ahead, leaving Britain behind.

Their success has been welcomed by many on the Continent. "Britain contributes to the Community in many positive ways and it would be bad for the EC if she dropped out," said a senior European official.

Significantly, the official said the Pöhl idea of two-speed monetary union was out of the question. "We could have an EMU with variable geometry, like the EMS, where countries proceed at different rates, but not a two-speed EMU because it would exclude Britain at the outset and that is unacceptable," she said.

Officials also said that once the British government was fully determined to become a leader in the construction of the EC, the shift would neither be traumatic nor slow.

"If you think of the enormous progress toward sharing power as a result of the single market, you must

realize that the debate has moved forward in the last four to five years to an unimaginable extent," said Sir Michael of Hambros.

Analysts also pointed out that in many respects Britain is a good EC member. "Britain's role in pushing the 1992 process is a very solid achievement," said Mrs. Wallace of Chatham House. "Britain is very comfortable with the joint trade policy and often takes the lead here; we have always been comfortable with political cooperation."

Nevertheless, London faces fundamental choices beyond the expected decision to become a full participant in the European Monetary System before it can assume its natural, but long-dormant, role as a driving force behind EC development, maintained the sources.

The consensus among the analysts and officials was that Britain needs to wed its unquestioned excellence in dealing with the details of EC affairs, with a greater ability — or willingness — to design the big picture.

Britain's BPB To Buy Control Of Inverysa

Reuters

LONDON — The British building products group BPB Industries PLC said Thursday that it had agreed to buy 65 percent of the Spanish gypsum group Inverysa SA for \$27.1 million (\$167 million).

BPB will initially acquire 38.5 percent of Inverysa for \$14.5 million cash. BPB will also give its £11.2 million shareholding in Inverysa's subsidiary Yescorinto back to the parent company.

On July 1, 1991 BPB will complete the deal by paying \$40.9 million for a further 26.5 percent of Inverysa.

BPB said the acquisition strengthens its position as Europe's leading gypsum group.

BPB said it expects the transaction to include good-will of about \$25 million.

Inverysa has 50 percent of the Spanish market for building plaster, slightly more than half of the market for moulding plaster and a leading position in gypsum-based prefabricated products such as gypsum blocks and ceiling tiles.

BPB said there is substantial profit potential in promoting new plasters and plasterboard in the Spanish construction market.

CREDIT: Bonn Leaps at Backing Big Loan to Soviets

(Continued from page 1)

somewhat by surprise by the government's willingness to provide the guarantee.

"There has been general readiness among West German banks to provide a credit, but the government seems to have taken the initiative now to speed things along," he added.

The consortium for the loan will be led by Deutsche Bank and Dresdner Bank, West Germany's two largest commercial banks, and is expected to include all of the country's larger banks to be able to provide funds of this scale.

The 5 billion DM credit represents a sizeable increase from the previous record bank credit of 3.5 billion DM that West German banks provided to Moscow two years ago in a consortium led by Deutsche Bank.

It had been preceded by credits

of various kinds to help finance the Soviet gas pipeline in the late 1970s and early 1980s.

West German readiness to finance the Soviet Union often encountered criticism in the West, particularly from the Reagan administration, but West Germany's interest in developing ties in Eastern Europe predates perestroika and has been steadily gaining momentum.

West Germany is the Soviet Union's largest trade partner and has set up more joint ventures in the Soviet Union than any other country has.

Unlike with many past credits, the new credit will not be tied to purchases of West German goods but is intended to provide foreign exchange so that Moscow can repay outstanding bills and regain its credit standing.

Until recently the Soviet Union,

rich in gold and other natural resources, was one of the world's best credit risks, but the growing economic confusion in the country has led to bottlenecks requiring outside help.

Government sources said that the West German Bundestag, the lower house of parliament, must approve the government guarantee of the credit. But they doubted that this would cause major problems because it will not require an expansion of the existing framework of government guarantees.

■ Mammennann Cuts Staff
VILLINGEN, West Germany — Mammennann Kienzle GmbH, a computer unit of Mammennann AG said Thursday it would cut its workforce by 21 percent from the current 4,900.

NYSE

Thursday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

(Continued)

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Stock	High	Low	Open	Close	Change				
IBM	114 1/2	114 1/4	114 1/4	114 1/4	+1/4				
Microsoft	54 1/2	54 1/4	54 1/4	54 1/4	+1/4				
Apple	44 1/2	44 1/4	44 1/4	44 1/4	+1/4				
Oracle	34 1/2	34 1/4	34 1/4	34 1/4	+1/4				
Novell	24 1/2	24 1/4	24 1/4	24 1/4	+1/4				
Lotus	14 1/2	14 1/4	14 1/4	14 1/4	+1/4				
Intuit	4 1/2	4 1/4	4 1/4	4 1/4	+1/4				
Visa	1 1/2	1 1/4	1 1/4	1 1/4	+1/4				
MasterCard	1 1/2	1 1/4	1 1/4	1 1/4	+1/4				
Discover	1 1/2	1 1/4	1 1/4	1 1/4	+1/4				
Amex	1 1/2	1 1/4	1 1/4	1 1/4	+1/4				
Bank of America	1 1/2	1 1/4	1 1/4	1 1/4	+1/4				
Wells Fargo	1 1/2	1 1/4	1 1/4	1 1/4	+1/4				
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Goldman Sachs	1 1/2	1 1/4	1 1/4	1 1/4	+1/4				
Morgan Stanley	1 1/2	1 1/4	1 1/4	1 1/4	+1/4				
JP Morgan Chase	1 1/2	1 1/4	1 1/4	1 1/4	+1/4				
Bank of New York	1 1/2	1 1/4	1 1/4	1 1/4	+1/4				
First National City	1 1/2	1 1/4	1 1/4	1 1/4	+1/4				
Wells Fargo Bank	1 1/2	1 1/4	1 1/4	1 1/4	+1/4				
Citibank	1 1/2	1 1/4	1 1/4	1 1/4	+1/4				
JPMorgan Chase	1 1/2	1 1/4	1 1/4	1 1/4	+1/4				
Bank of America	1 1/2	1 1/4	1 1/4	1 1/4	+1/4				
Wells Fargo	1 1/2	1 1/4	1 1/4	1 1/4	+1/4				
Citigroup	1 1/2	1 1/4							

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SPORTS/THE WORLD CUP



Goalkeeper Andoni Zubizarreta and teammate Roberto Fernandez fighting Belgian Jan Ceulemans, center, for control of the ball.

Spain Overcomes Belgium, 2-1

The Associated Press

VERONA, Italy — Spain broke through a makeshift Belgian defense for two first-half goals, then held on for a 2-1 victory Thursday that swept the Spaniards past Belgium to the top of World Cup Group E.

Michel scored Spain's first goal on a penalty kick in the 27th minute. The goal, his fourth, moved him atop the World Cup individual scorers' list.

Spain's other goal came on defender Alberto Gorriz's header in the 39th, after midfielder Patrick Vervoort had drawn Belgium even in the 31st.

The triumph allows Spain to remain in Verona for the second round and face Yugoslavia, the Group D runner-up. Belgium finishes second in the group and is to face the Group F winner.

"I said we had a team that could beat Belgium," Spanish coach Luis Suarez said. "We came out very relaxed and confident. In the second half, we naturally went in no rush to attack. But I think we missed some good opportunities anyway because we hurried our counterattacks."

Michel's goal broke open what had been a clean but dull match between two teams already qualified to advance to the second round.

Spain controlled the ball in the first half, but both teams had an

equal number of scoring chances. Belgium pressed hard for the entire second half and threw away a chance to draw when midfielder Enzo Scifo banged a penalty off the crossbar in the 60th. A draw would have given Belgium first place in Group E.

"It's a pity. We could have won it," said Eric Gerets, a key defender who sat out the match due to a suspension. "The penalty should have gone in. We will win the next time."

Spain and goalkeeper Andoni Zubizarreta, who played an outstanding match, averaged the team's elimination by Belgium when the two teams last met, in the quarterfinals of the 1986 World Cup in Mexico. The match ended a 1-1 draw, but Belgium advanced on penalties.

Some 36,000 spectators turned up for the match, including Spain's King Juan Carlos I and Queen Sofia, and Prime Minister Giulio Andreotti of Italy.

Belgium played without three of its defenders — Gerets and Leo Clusters and Georges Grim, both injured.

"We had problems in the second half," said the Belgian coach, Guy Thys. "We took risks in defense. Something worse could have happened."

The Belgians had the first real scoring chance when veteran forward Jan Ceulemans threaded a pass to Vervoort, who missed an open shot from inside the area.

But it was the Spanish midfielders who controlled the rhythm of the half.

Spain's first goal was sandwiched between two dangerous Belgian counterattacks thwarted by Zubizarreta. In the 26th minute, Franky Van der Elst took a give-and-go from Ceulemans and banged a shot off Zubizarreta.

On the next play, Spanish forward Emilio Butragueno threaded the ball to Julio Salinas, who went down when Belgian goalkeeper Michel Preud'homme broke up the play a few meters in front of the goal.

Referee Juan Loustau of Argentina whistled the penalty and Michel converted it. He also had scored a hat trick on Sunday against South Korea.

Belgium came right back. Zubizarreta just tipped Marc Degryse's header over the crossbar in the 28th minute, and in the 31st, Spanish

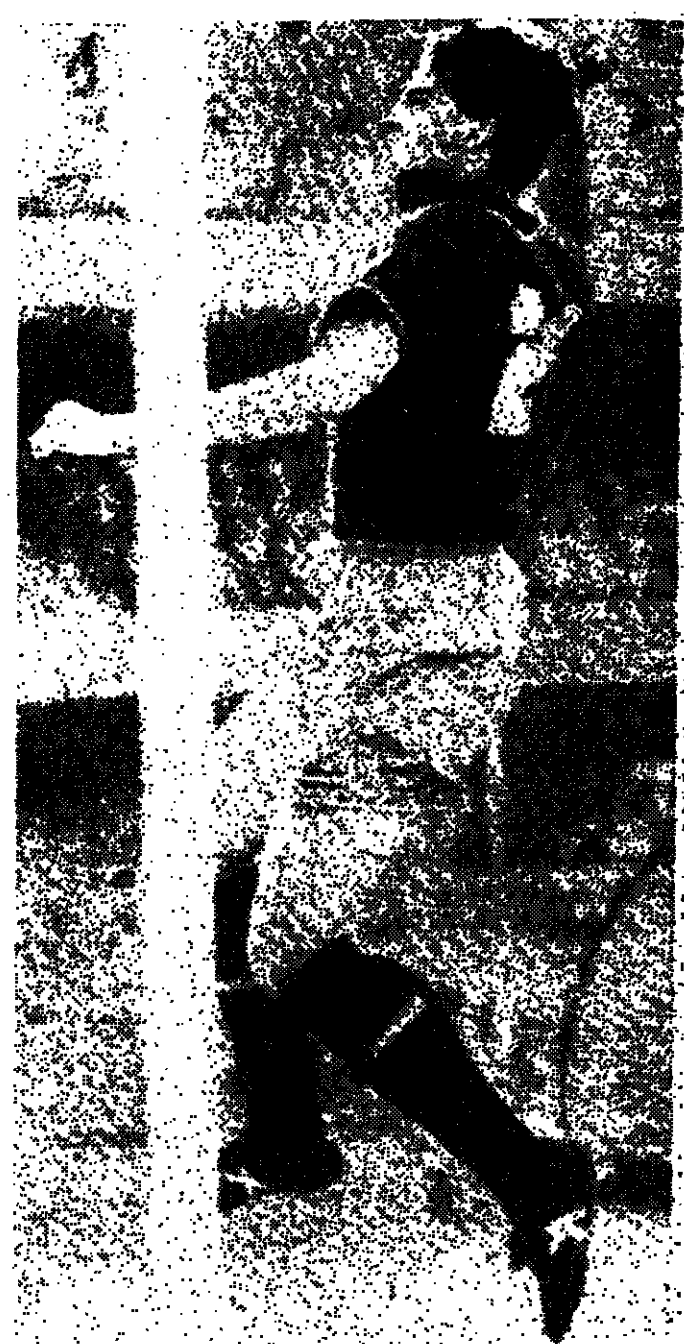
midfielder Roberto cut down Scifo just outside the area.

On the subsequent free kick, Vervoort's low hard shot caromed off the wall of Spanish defenders and into the net.

But Spain scored again in the 39th minute after the harried Bel-

gian defense gave up a free kick near the goal line. Michel sent his cross toward the far post and Gorriz headed it home from 10 meters.

In the second half, Belgium gradually took over control of the match and forced Spain into a more defensive alignment.



Michel jumped for joy after scoring on a penalty kick for Spain.

Uruguay Stays Alive by Beating South Korea, 1-0

Reuters

UDINE, Italy — A last-gasp goal kept Uruguay in the World Cup on Thursday as Daniel Fonseca headed home two minutes into injury time to give his team a 1-0 victory over South Korea.

With a draw — and elimination — looking ever more inevitable, Fonseca rose to meet Alfonso Dominguez's free kick from the right and headed cleanly past South Korea's goalkeeper, Choi In Young.

For more than the regulation 90 minutes of the Group E match, Uruguay had looked unable to break the deadlock.

Despite knowing that only victory would get them into the second round, the Uruguayans showed little urgency and both

teams looked set to bow out of the World Cup with barely a whimper. Even when South Korea were reduced to 10 men in the 72d minute after the referee, Tullio Lancini of Italy, sent off defender Yoon Deuk Yeo, apparently for wasting time, the Uruguayans could not make any impact until injury time.

Fonseca's goal gave Uruguay its first victory in the World Cup finals in 20 years. Its last victory was a 1-0 defeat of the Soviet Union in the 1970 finals in Mexico.

Uruguay wasted what few chances it had during regulation time. The South Koreans, whose slim hopes of remaining in Italy depended on them scoring a handful of goals, created almost no opportunities.

Until their injury time salvation, the Uruguayans had come closest to scoring in the opening minute of each half.

On the first occasion captain Enzo Francescoli was clear in front of the goal but his shot hit the post. In the opening seconds of the second half, the same fate awaited Carlos Aguilera.

Only in the late minutes of the match in which neither side was able to put together many fluid moves, did Uruguay briefly mount another threat.

But Fonseca — the second substitute, who replaced the unusually ineffective Ruben Sosa — shot against Choi's legs.

A few minutes later Fonseca became a hero in dramatic fashion.

The South Koreans, who committed more than 40 fouls during the match, had their clearest chance in the third minute when Hwang Bo Kwan came close to repeating the spectacular goal he scored against Spain four days earlier.

But this time his hard drive from a free kick was turned away by Uruguay's goalkeeper, Fernando Alvez, for a corner.

Playing tentatively, the South Koreans thereafter mounted only occasional forays upfield and rarely posed a serious problem to the Uruguayan defense. Their indecision and apparent acceptance of imminent elimination puzzled Uruguay's manager, Oscar Tabarez.

"I don't understand why they played like that," he said. "We didn't play a good match but we had to get the result in any way possible."

Tabarez put the almost equal indecision of his own team down to tension and nerves.

"Maybe the excess of responsibility of having to win weighed on some players," Tabarez said. "But we have now broken the spell that prevented us winning in the World Cup for 20 years."

Fonseca expressed the massive relief of all the Uruguayan squad at his goal.

"Thank God I scored," the 20-year-old striker said. "The important thing when coming on during a match like this was to have self confidence."

England's manager, Bobby Robson, said: "We've been satisfied. We've actually won the game — you can't do any more than that."

"We wanted to go to Bologna. There isn't an easy route — but that is the easier route," he said. "We've got a good rest period now — that was the important thing. We didn't want to play on Sunday."

The unimpressive Egyptians produced three shots at goal in the first half and one after the break, but rarely got inside the England penalty area.

Ahmed el-Kas missed a shot wide in the 19th minute. Their captain, Gamal Abdel-Hamid, fired too high eight minutes later, and Magdi Abdel-Ghani produced a 30-meter drive that England's goalkeeper, Peter Shilton, knocked with his fingertips over the bar for a corner.

England's Steve Bull shot wide from 18 meters and rightback Paul Parker forced the Egyptian goalkeeper, Ahmed Shabir, to save a minute before the break.

England looked a sharper side in the second half with Gascoigne worrying the Egyptians with his weaving runs.

But Egypt had a chance to draw the match in the 75th minute when England failed to clear a center and Hosam Hassan was allowed a clear shot.

But Shilton, who increased his world record number of international appearances to 121, made a smart save.

England almost made it 2-0 in the 80th minute, but Shabir made a fine save from a curling shot unleashed by Gascoigne.

March Stopped
Police barred English soccer fans from staging a march to the stadium for Thursday's England-Egypt match. The Associated Press reported.

A similar march last week ended in a rock-and-bottle-throwing clash with security forces.

Police said they would enforce an Italian law that forbids such processions without 48 hours of advance notice.

About 1,000 people took part in the Saturday march that ended when some English fans in the procession stormed a security cordon and stoned police. Police reinforcements using tear gas and truncheons dispersed the marchers.

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Chris Waddle of England tried to break between Egypt's Hosam Hassan, left, and Hani Ramzi.

WORLD CUP WRAP-UP

Italy Proves Hit With Armchair Fans

ROME (AFP) — Each of Italy's three matches have been watched by at least 20 million viewers, Italian television said Thursday. The match with the United States drew the biggest crowd of 25,749,000 — 462,000 more than for the third decisive match with Czechoslovakia. Argentina versus the Soviet Union, with 16,725,000 viewers, was the most popular of the matches not involving Italy. Lowest figure was for Yugoslavia versus United Arab Emirates — 698,000.

Austrian Deported for Gun Offense

CAGLIARI, Sardinia (Reuters) — Italy has deported a 32-year-old Austrian after he was convicted of trying to enter a World Cup match carrying a pistol.

The court handed Rainer Ullrich a suspended two-year prison sentence on Wednesday, officials said.

Ullrich was arrested in Cagliari before England's Group F match against the Netherlands last Saturday when police searching his car at the stadium found a 7.65 mm automatic pistol and six live bullets.

Glasgow Rangers Sign Hateley

LONDON (Reuters) — Mark Hateley, a former striker for England, completed his £500,000 (\$860,000) transfer to Glasgow Rangers on Thursday as the Scottish champions prepared to spend almost three times as much on Oleg Kuznetsov, a defender for the Soviet team.

Rangers confirmed they had set up a £1.4-million deal to sign Kuznetsov assuming he is granted a work permit. The club said it hopes that Kuznetsov, who plays for Dynamo Kiev, will join them after the World Cup ends on July 8.

Zavarov Joins Nancy of France

PARIS (Reuters) — Alexander Zavarov, a midfielder for the Soviet team, signed a three-year contract for an undisclosed fee with newly-promoted French first division soccer club Nancy on Thursday, club sources said.

Zavarov, 29, flew to Nancy with Michel Platini, the club's vice-president, and France's national coach who approached him during the World Cup in Italy. The Soviet Union bowed out of the competition after first round defeats against Romania and Argentina.

Zavarov was released by his previous club Juventus after a disappointing two-year stay in Italy.

Bus Crash Kills Fan, Injures 23

CAGLIARI, Sardinia (Reuters) — One English soccer fan was killed and at least 23 injured in a bus crash as they traveled in a police-escorted bus convoy to a World Cup match between England and Egypt in Cagliari on Thursday, police said. Police said all the victims were British.

Ireland and Netherlands Coast Along on 1-1 Tie

Compiled by Our Staff From Dispatches

PALERMO, Italy — Striker Niall Quinn exploited a Dutch defensive error to neutralize an early goal by Ruud Gullit as Ireland and the Netherlands played a 1-1 tie here Thursday night that put both in the second round of soccer's World Cup finals.

Gullit, the Dutch captain, turned his first threatening cup activity into a goal in the 11th minute by finishing off a smooth team move with an angled right-footed drive.

The goal came after defender Mick McCarthy fouled Ronald Koeman then found Gullit, whose exchange of passes with Willem Kieft in the penalty box let Gullit fend off a challenge to shoot low past Pat Bonner's right hand.

But Ireland equalized in the 71st minute, when Quinn was perfectly placed to push home a bad back pass by defender Barry Van Aelst that goalie Hans Van Breukelen failed to control.

Meanwhile England, with four points from three matches, won Group F. Ireland and the Netherlands finished with three points apiece; a post-match coin toss placed the Irish second and the Dutch third in the group. Egypt, a 1-0 loser to England, dropped out with two points.

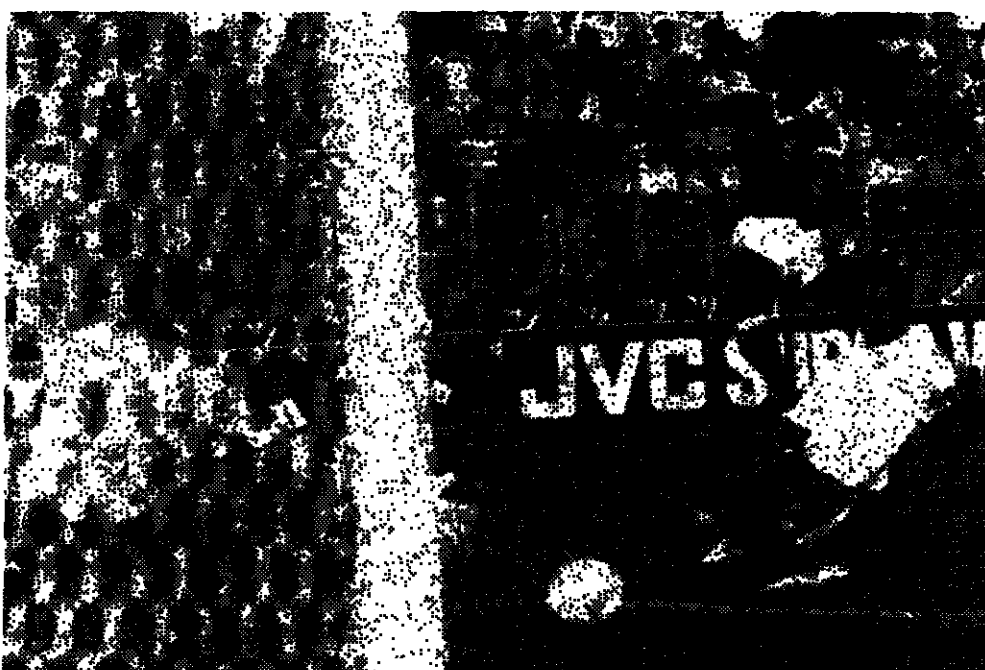
After the Irish goal, both teams did little more than try to keep the ball in their ranks, knowing that England's victory would see them through.

Many among the crowd of 33,288 left long before the final whistle, amid booing and whistling at the teams' lack of initiative.

"We wanted a draw, and that is what we got," said Ireland's coach, Jack Charlton. "We qualified. That's what counted."

"We didn't play excellent, but I'm happy because we got through," said Gullit.

After the early strike, the Irish were forced to look for an equalizer and produced its best soccer in the cup finals.



A leaping Ruud Gullit, the Dutch captain, watched his 11th-minute shot beat Irish goalie Pat Bonner.

jumped Frank Rijkaard but failed to find striking partner Aldridge with head flicks. Rijkaard was booked in the 43d minute for a foul on Quinn.

Although the Irish attacks were built on simple tick-and-rush tactics, the Dutch found no creative answers. Gullit had to scurry back to avert danger with key headers.

But the Irish could not maintain their pressure amid humid, muggy conditions, and had to resort to long-range attempts until the end of the first half.

Early in the second half Steve Staunton caught the Dutch defense cold with a cross, but two Irish

players failed to convert open chances.

The Dutch defense looked tentative throughout that spell, and striker Marco van Basten, playing well back on defense, often looked lost.

The pressure finally paid off with Quinn's strike. A goal kick landed deep in Dutch territory, putting defender Van Aelst under too much pressure to handle the ball cleanly.

Van Breukelen, the goalie, got his hand on it but failed to hold on.

Quinn was right there to place the ball in Ireland's qualification, and from there on in both teams simply played out the match. (AP, UPI)

Standings

FIRST ROUND

GROUP A	W	L	D	GF	GA	Pts
Italy	3	0	0	4	0	6
Czechoslovakia	2	1	0	3	3	4
Austria	1	2	0	2	3	2
United States	0	3	0	2	8	0

GROUP B	W	L	D	GF	GA	Pts
Italy 1, Austria 0						
Sunday, June 10						
At Florence						
Czechoslovakia 5, U.S. 1						
Thursday, June 14						
At Rome						
Italy 1, United States 0						
Friday, June 15						
At Florence						
Czechoslovakia 1, Austria 0						
Thursday, June 19						
At Rome						
Italy 2, Czechoslovakia 0						
At Florence						
Austria 2, United States 1						

GROUP C	W	L	D	GF	GA	Pts
Cameroon	2	1	0	3	5	4
Romania	1	1	1	4	3	3
Argentina	1	1	1	3	3	3
Soviet Union	1	2	0	4	4	2

GROUP D	W	L	D	GF	GA	Pts
Brazil	3	0	0	4	1	6
Costa Rica	2	1	0	3	2	4
Scotland	1	2	0	3	3	2
Sweden	0	3	0	2	8	0

GROUP E	W	L	D	GF	GA	Pts
Brazil 2, Sweden 1						
Sunday, June 10						
At Turin						
Monday, June 11						
At Turin						
Costa Rica 1, Scotland 0						
Saturday, June 16						
At Turin						
Brazil 1, Costa Rica 0						
At Genoa						
Scotland 2, Sweden 1						
Wednesday, June 20						
At Turin						
Brazil 1, Scotland 0						
At Genoa						
Costa Rica 2, Sweden 1						

GROUP F	W	L	D	GF	GA	Pts
Cameroon	2	1	0	3	5	4
Romania	1	1	1	4	3	3
Argentina	1	1	1	3	3	3
Soviet Union	1	2	0	4	4	2

GROUP G	W	L	D	GF	GA	Pts
Brazil	3	0	0	4	1	6
Costa Rica	2	1	0	3	2	4
Scotland	1	2	0	3	3	2
Sweden	0	3	0	2	8	0

GROUP H	W	L	D	GF	GA	Pts
Brazil	3	0	0	4	1	6
Costa Rica	2	1	0	3	2	4
Scotland	1	2	0	3	3	2
Sweden	0	3	0	2	8	0

GROUP I	W	L	D	GF	GA	Pts
Brazil	3	0	0	4	1	6
Costa Rica	2	1	0	3	2	4
Scotland	1	2	0	3	3	2
Sweden	0	3	0	2	8	0

GROUP J	W	L	D	GF	GA	Pts
Brazil	3	0	0	4	1	6
Costa Rica	2	1	0	3	2	4
Scotland	1	2	0	3	3	2
Sweden	0	3	0	2	8	0

GROUP K	W	L	D	GF	GA	Pts
Brazil	3	0	0	4	1	6
Costa Rica	2	1	0	3	2	4
Scotland	1	2	0	3	3	2
Sweden	0	3	0	2	8	0

GROUP L	W	L	D	GF	GA	Pts
Brazil	3	0	0	4	1	6
Costa Rica	2	1	0	3	2	4
Scotland	1	2	0	3	3	2
Sweden	0	3	0	2	8	0

GROUP M	W	L	D	GF	GA	Pts
Brazil	3	0	0	4	1	6
Costa Rica	2	1	0	3	2	4
Scotland	1	2	0	3	3	2
Sweden	0	3	0	2	8	0

SPORTS/THE WORLD CUP

With Bora Milutinovic As Coach, Costa Rican Success Is No Surprise

Compiled by Our Staff From Dispatches
ROME — Costa Rica's coach, Bora Milutinovic, has become the 90-day miracle worker of the World Cup.

That is all the time he has had to take the tiny Central American country into the second round in its first appearance in the finals.

He has done it with a group of part-time players who were supposed to succumb before the powerful teams from Sweden and Scotland. Instead, the two European teams became the victims; Scotland in a 1-0 loss on June 11, and Sweden in a 2-1 loss Wednesday night.

"This is a historic victory," Milutinovic said Wednesday night. "My players knew exactly what to do and they did it."

"When we came to the World Cup we did not think we had a chance," he said. "But we showed in the second half against the Swedes that we were both physically and mentally sharper."

After the match against Sweden, Costa Rica's captain, Roger Flores, praised Milutinovic, who took over the team in March after internal strife and bickering between the country's club directors led to the dismissal of his predecessor, Marvin Rodriguez.

"We thank Bora for this victory," Flores said. "We used to just play football. Now we also have tactical sense. He has drilled us a thousand times."

Like many poor countries where soccer players do not earn the high salaries that are common in Italy, Spain and West Germany, the Costa Ricans are driven by pride more than money.

The best-paid Costa Rican players earn about \$600 a month, and all the professionals hold down a second job.

Flores is a chemical products salesman. Luis Gabeiro Conejo, the goalkeeper whose brilliant performance in the first half against Sweden kept Costa Rican hopes alive, is a mechanic.

The only surprising thing about Costa Rica's success is that people are surprised by what Milutinovic has achieved. The Yugoslav-born coach is no stranger to pulling off what appears to be the impossible.

Four years ago he took a Mexican team that had done little in eight previous World Cups and got them into the quarterfinals.

That accomplishment earned him the Aztec Eagle, Mexico's highest award for foreigners. It was



Bora Milutinovic

presented to him by then-President Miguel de la Madrid.

The 48-year-old Milutinovic comes from a family rich in football tradition. His brother, Milos, was center forward for Yugoslavia in the 1950 World Cup.

Milos Milutinovic was also Yugoslavia's manager in the 1986 Cup qualifying round; had Yugoslavia made the finals he and Bora would have had the unique achievement of brothers managing separate teams at the same World Cup.

Bora Milutinovic was not as good a player as his brother. But while playing for Monaco and Nice in France, Winterthur in Switzerland and Udinese in Italy, he developed the knack of putting across his ideas to other players.

He moved to Latin America, where he joined Universidad Autonoma de Mexico for what he said would only be a year.

But the success that he missed out on in Europe, he found in Mexico, moving from player to coach, and winning two Central American club cups.

It earned him the job of taking over the national team in 1986.

Now Milutinovic is only the third man to manage two different countries in World Cup finals.

Rudolf Vytlačil managed his native Czechoslovakia in 1962 and Bulgaria in 1966, while Blagoje Vidinic, another Yugoslav, was the coach of Morocco in 1970 and Zaire in 1974.

(Agence France-Presse, Reuters)

New Era in the Evolution of U.S. Soccer? Maybe

Automatic Berth Puts Expectations Higher for 1994, but Plans for New League Still Vague

By Michael Janofsky

New York Times Service

FLORENCE — If the events of the past two weeks were any forecast, the future is less so. Little was expected of the United States national soccer team in the World Cup finals, and little was achieved.

The players began dispersing Wednesday after a third consecutive defeat on Tuesday night eliminated any chance they had to advance in the tournament.

As the host country for the World Cup finals in 1994, the United States gains automatic entry into the field of 24, and the lessons of this month can only benefit those selected to the national team four years from now.

But with unsettled plans for player development and an important election ahead that could unseat the current administration, the United States Soccer Federation is beginning a period of uncertainty in which a lack of vision and planning could easily lead to another misadventure in the 1994 finals.

If there is consensus on any one issue, it is that the current structure of U.S. soccer cannot produce a national team worthy of challenging the best in the world.

Basically, the components are weekend leagues for youths, high school teams, college teams, regional clubs and the American Professional Soccer League, the closest the country has to a national league but no better than a second division league compared with professional leagues in Europe and South America.

American players with exceptional ability can continue developing their skills only with the national team or, on rare occasion, with a European club, the ultimate developing ground.

For most, however, the end of the development line becomes a succession of virtually meaningless "friendly" exhibition matches that the federation schedules for the national team against foreign clubs or other national teams.

This is the pipeline that spawns the players who lost to Czechoslovakia (5-1), Italy (1-0) and Austria (2-1) over the last 10 days.

"What we're looking for is something to take us to the next level," said Bob Gansler, the coach who extracted about as much from the team as possible. "The machinery in place can't take us any further."

For two years, there have been



After the United States was eliminated from the first round of the World Cup soccer finals, David Valone, left, and Tony Meola found a ray of sunshine — on the beach at Tirrenia, Italy. But the U.S. Soccer Federation hasn't a minute's relaxation as '94 looms.

plans, though still vague, for the creation of yet another league, one unlike those of the recent past, including the North American Soccer League or the American Soccer League.

This one would be a European-style club league of privately operated franchises, built around members of the national team for one expressed purpose: to develop a quality team for the 1994 World Cup.

Each team would play 30 to 40 matches a season, and the league would be controlled by the federation, rather than by itself.

Federation officials envision a startup date sometime next year, although it remains unclear who would sponsor the teams, how many teams would be formed, when the league would play, where the franchises would be located or how much the players would be paid.

It is an ambitious project, to say the least, especially with so little evidence of progress since plans for the league were first announced on July 4, 1988, the day the United States was awarded

the right to stage the 1994 tournament.

"A new league would be the catalyst we need," Keith Walker, the federation's executive director, said in a recent interview.

"The key is to be sure the players get the exposure and experience they need, particularly against players of quality in the other areas of the world. Until that happens on a consistent basis, we will struggle."

The federation is also supporting efforts of those players who are offered contracts by clubs in Europe. While that would remove them from the league's program, the European play would expedite their development, and the federation has expressed a willingness to allow players under contract with the federation to move on.

Much of Stiehl's campaign is based on his contention that the current administration has done too little to help develop the national team and market the 1994 tournament.

Stiehl, who was removed by Fricker as head of the 1994 organizing committee shortly after the bid was won, makes no secret of whom he holds responsible for what he perceives as the federation's problems.

Yet already, the process is showing glitches. Tab Ramos, one of the few Americans to play well in all three matches, said that the federation told one club expressing interest in him that his release would cost the team "just under \$1 million."

Ramos complained that the federation was pricing him out of the market.

"Let the market set the price," said Sami Gulati, a federation official involved in financial matters.

The chief overseer of matters involving the proposed league, the contracts and everything else in the federation is its president, Werner Fricker.

He has held the office since 1984 but is now facing strong opposition from the federation treasurer, Paul Stiehl, who is campaigning hard to defeat him in an election scheduled for the first weekend of August.

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Schillaci Shunts Aside Vialli as Italy's New Hope for Scoring

International Herald Tribune

ROME — How swift the flame of idolatry moves from Italian goalkeepers to goalkeepers. How rich in wealth and esteem a goal can make a man whatever his background, his education or social standing.

And how fickle is the glow, how quickly fingers burn before today's hero may have to hand back the torch in 90 minutes or less.

Italy is deliciously happy. Three matches, three wins, no goals against and a fight to get into the starting lineup in attack. All this in 13 days during which Gianluca

Rob Hughes

Vialli, the symbol of Italian hope, has been replaced by Salvatore Schillaci.

For rich sophisticated — Vialli — read "poor" Sicilian — Schillaci. And Vialli's opening-match partner, Andrea Carnevale, has also been replaced — by Schillaci's club teammate, Roberto Baggio. In a spin? Join the nation. This may all be very temporary, it may all switch back again, but right now the consuming passion for victory that has triggered financial security on a scale beyond anywhere else on earth is playing havoc with men's mental stability.

Fame for an Italian lies in the back of an opponent's net. Vialli and Carnevale had their chances in the first two matches and blew it. Schillaci and Baggio have shown how it's done.

It is a cruel business. For four years Vialli has been groomed for ordination as the Rossi, the Riva, the Rivera of the 1990 World Cup. He knew it, his national team boss, Azzeglio Vicini, knew it, and certainly those who care for Vialli's millions know it.

Vialli has banked the fame but suffered more intrusion of privacy than Sophia Loren. When he has been injured, the media clamored almost onto the operating table to feed the tifosi's appetite about his troublesome foot.

His hometown of Cremona used



Gianluca Vialli, left, Italy's hope, struggled in the first two matches and was replaced by the quick-scoring Salvatore Schillaci, right.



Salvatore Schillaci, right, replaced Vialli as Italy's new hope for scoring.

to get visitors on the strength that Stradivarius was born there. Newspapers now run headlines about the wealth of Vialli's father from a construction business, and Gianluca's introduction to football through a local priest.

Good heavens, at 24 and in fine fettle apart from playing two matches without scoring, we'd better not use past tense. Likeable and in a way almost shy that he is, you only had to see Vialli make Italy's first goal to know the determination in him.

Only make? There's the rub. Vialli set up Schillaci for the only goal against Austria. Schillaci had not been on the field many minutes as a substitute when Vialli's sheer strength, his balance and his preci-

sion breached Austria down the right.

Vialli turned, beat a defender, saw Schillaci in the twinkle of an eye, and delivered the perfect invitation. Schillaci, eight meters (26 feet) out, did the simple thing, meeting the ball with his forehead and banging it home with brutal efficiency.

While others had waited in hesitancy, while the nerves got to Italians near the goal, I somehow doubt Schillaci saw anything but opportunity. He wanted the goal; he got it.

However, Italy reverted to the Vialli-Carnevale spearhead for match two. It labored to penetrate a U.S. team whose game plan was

massed defense and damage limitation. Vialli even mis-timed a penalty. Only by inches, but a miss is another miss, the post is the post.

So, match three, and the media might have been calling the shots. Schillaci and Baggio started the match against Czechoslovakia.

Schillaci, though at 5 feet, 9 inches (1.75 meters) not tall by any stretch, got a similar chance to head Italy in front. Again without blinking, Schillaci finished sharply, brilliantly.

He is so quick into position, so concentrated on predatory finishing, he is not like others caught in two minds. And he seems not to be rushed by the effervescence of this new high speed Italian attacking

game accelerated by the roar of 73,000 fans.

By now the papers that had filled pages with photos of the whole Schillaci clan down in Palermo (which has produced six Italian internationals) were agitating for the first pictures of a more intimate family portrait — "Toto," as Schillaci is affectionately known, after a famous clown, his wife, Rita, their young daughter and a brand new arrival, a son.

Of course the story is manna from heaven. Sicilian boy grows up a Juventus fan, leaves school to help feed the family and languishes eight years in his local Messina club — never higher than division two — before Juventus finally pays Messina's \$6 million asking price.

For celebration. His other recent acquisition, Salvatore Schillaci, is also a national hero after scoring both against Czechoslovakia and Austria.

In the match against Czechoslovakia, Schillaci developed a devastating strike partnership with Baggio in their first match together.

"It's always pleasing for us when Juventus players honour themselves in the national team," Agnelli said.

But a brilliant individual goal, Italy's second, seems to have sealed his place in the side.

Agnelli has more than one cause

for celebration. His other recent acquisition, Salvatore Schillaci, is also a national hero after scoring both against Czechoslovakia and Austria.

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Owner of Juventus Likes What He Sees

Reuters

ROME — The World Cup has made Gianni Agnelli, the owner of the Juventus club of Turin, a little happier already about the \$13 million he paid the Fiorentina club for striker Roberto Baggio.

Agnelli told the newspaper La Repubblica: "Baggio cost us a lot, as you know well. Now we must see how much he is worth as well as knowing how much he cost. The match with Czechoslovakia is a

first, positive response to this question."

Until Italy's 2-0 victory over Czechoslovakia on Wednesday night Baggio looked like being a very expensive luxury for the national team. He seemed destined to stay on the bench for most of the World Cup.

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On July 5 and 6, in Paris, more than 200 US citizens abroad will come together from countries as diverse as Singapore, Brazil, Israel, Nigeria, Saudi Arabia and the nations of Europe to dialogue with US Congressmen and high-level representatives of the State Department, Treasury and other US Government agencies about issues such as TAXATION, VOTING, CITIZENSHIP, EDUCATION, MEDICAL CARE and COVERAGE, and GENERAL US GOVERNMENT POLICY TOWARD ITS CITIZENS LIVING ABROAD.

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and help us tell policy-makers where change and improvement is needed!
Thank you.

Judge Drops Charges Against 23 Fans

The Associated Press

OLBIA, Sardinia — A judge dropped charges on Thursday against 23 English fans and one Italian accused of fighting and causing damage following a World Cup soccer victory by the English team, an official said.

Judge Pier Carlo Di Gemmaro, Olbia's prefect, or top interior

Ministry representative, ruled that the battle was actually an attack by Italians on a smaller group of English soccer supporters, ANSA, the Italian news agency, reported.

Di Gemmaro said he found it strange that among the 24 arrested, 23 were English, ANSA reported.

According to Olbia police, about 200 Italian fans clashed with 30 English supporters last Tuesday after England defeated Czechoslovakia 2-0. Police fired tear gas to break up the fighting.

A few people were treated at a hospital following the disturbances in the northeastern port city.

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SPORTS

Wasteful Orioles Prevail Over Indians

Baltimore Wins, Despite Stranding 14 Base Runners

Compiled by Our Staff From Dispatches

The Baltimore Orioles and Cleveland Indians were so wasteful Wednesday night that they were almost an environmental hazard.

But the Orioles, who left 14 runners on base, defeated the Indians, 3-1, when Randy Milligan's tie-breaking home run touched off a two-run top of the ninth and the Indians failed to score after getting runners on second and third with none out in the bottom of the ninth in Cleveland.

Gregg Olson entered at the start of the Indians' ninth after Pete Harnisch had allowed five hits on 84 pitches. Jerry Browne and Dion James singled, then Stan Jefferson ran for James.

With the count 1-1 to Sandy Alomar, Jefferson stole second without drawing a throw as Olson bounced a curveball at the plate. Olson stepped off the mound to collect himself and struck out Alomar on two more pitches.

With Candy Maldonado at the plate, catcher Mickey Tetletson blocked two more bouncing pitches as Olson ran the count to 3-2. After

fouling off a pitch, Maldonado struck out trying to check his swing at a high fastball.

Then Ken Phelps lined out to center.

With one out in the top of the ninth, Milligan got his 11th homer of the season and third hit of the night. Singles by Tetletson, Cal

BASEBALL ROUNDUP

Ripken and Tim Lincecum then made it 3-1.

White Sox 2, Angels 1: In Chicago, Mark Langston struck out 10 but lost when Chicago's Sammy Sosa broke a 1-1 tie with a home run in the fifth.

Mariners 3, Royals 2: In Kansas City, Ken Griffey Jr. hit an inside-the-park homer with two out in the fifth to lift the Mariners.

The Royals took a 2-1 lead in the second on Frank White's RBI single, but the Mariners tied it in the third on consecutive singles by Jeff Schaeffer, Harold Reynolds and Henry Cotto.

Blue Jays 11, Red Sox 0: In Toronto, the Blue Jays got a club record-tying eighth straight hit in an eight-run eighth inning.

Leading 3-0, Toronto put the game away in the eighth. Singles by Tony Fernandez, Kelly Gruber and George Bell made it 4-0. Fred McGriff and John Olerud added

RBI singles. Pat Borders had a two-run double. Nelson Lirio singled and Mookie Wilson followed with an RBI double. Junior Felix broke the string by striking out but Fernandez hit a sacrifice fly and Gruber doubled to complete the scoring.

Athletics 12, Tigers 7: In Detroit, Bob Welch won his eighth straight game and Terry Steinbach had six RBIs with a grand slam and a single. Welch gave up two runs — one earned — and six hits in six innings.

Rangers 8, Twins 0: In Arlington, Texas, Kevin Brown pitched a four-hitter for his first major-league shutout and Geno Petralli hit a two-run double in the first.

Yankees 5, Brewers 4: In Milwaukee, Roberto Kelly homered with two out in the ninth for the Yankees. Greg Cadaret, Alan Mills and Lee Guevarra blanked the Brewers over the last 6½ innings.

Dodgers 3, Astros 2: In a National League game in Los Angeles, Ramon Martinez struck out 10 in 6½ innings and Mike Scioscia had a two-run single and a sole homer for the Dodgers.

Reds 9, Braves 8: In Atlanta, Billy Hatcher singled in the winning run in the 10th inning as Cincinnati scored a run in each of the last three innings to overcome an 8-6 deficit.

Expos 3, Cubs 2: In Montreal, pinch-hitter Wallace Johnson's RBI single keyed a seventh-inning rally as the Expos scored three unearned runs.

The Expos were held to three hits by Greg Maddux over the first 6½ innings. Larry Walker then struck out for what would have been the final out of the inning, but the ball got past catcher Joe Girardi, allowing Walker to go all the way to second on the passed ball. Mike Fitzgerald walked, Tom Foley singled in a run and Johnson followed with a single to center, scoring Fitzgerald. Foley also scored when center fielder Marvell Wynne's throw to third base skipped past Domingo Ramos.

Mets 6, Cardinals 3: In New York, Kevin McReynolds had a three-run homer in the first and Darryl Strawberry added two RBI singles for the Mets.

Padres 4, Giants 3: In San Francisco, Shawn Abner doubled in the winning run in the 11th. Mike Pagliaro tripled off Steve Bedrosian and Abner doubled off the glove of Rick Parker for the victory.

Phillies 7, Pirates 2: In Philadelphia, Len Dykstra had two hits and scored three times for the Phillies. Dykstra raised his average to .384 by going two-for-three, with two walks and two stolen bases.

(WP/AP)



Montreal's Andres Galarraga colliding with Mark Grace of the Cubs, but Galarraga didn't have the ball and Grace was safe.



Sugar Ray Leonard: Thomas Hearns isn't the likely opponent.

Leonard's Next Bout Planned in November

By Marc Stein

Washington Post Service

WASHINGTON — Mike Trainer knows only this for sure: Sugar Ray Leonard will return to the ring in November. The opponent, size and purse have yet to be determined, but Trainer, Leonard's longtime attorney, said Wednesday that the five-time world champion's first bout since defeating Roberto Duran in December probably would take place outside of the United States. He said the details would be final by the first week in July.

"I've always wanted (Ray) to fight outside the country," Trainer said. "There are countries that want to see him that have never had the chance to see him. We've always had interest from Italy, France and Japan. This may be the time for him to go."

He said Leonard was intrigued by a possible overseas bout.

Should Leonard, 34, fight in Tokyo — as The New York Times reported in its Wednesday edition — or somewhere other than the United States, a rematch with Hearns is unlikely, Trainer said.

He denied that Leonard had

been offered a \$12 million site fee to fight in Japan in November, or that the fighter — still the World Boxing Council's super-middleweight champion — is considering a domestic bout against Michael Nunn, the International Boxing Federation champion, as The Times reported.

"I haven't seen that telegram," Trainer said. "Has there been interest expressed from Japan? Yes. Has it gotten as specific as the \$12 million? No. Are we thinking about Michael Nunn? No."

Hearns is the opponent Trainer said the public would most like to see Leonard fight, but Trainer said that Nigel Benn, the World Boxing Organization middleweight champion, and the little-known junior middleweight Carlos Elliott were the more likely opponents.

"What people don't understand is Hearns outweighed him by 10 pounds last time, and I don't think Ray should be fighting bigger people any more," Trainer said.

"So, either Hearns can come down and they can both be the same size," he added, "or Ray will take the Concorde and go fight somewhere overseas where people are dying to see him."



Vince Coleman of the Cardinals beating the throw to New York second baseman Gregg Jefferies.

5 Years Later, Contenders Gear Up For Race to Join National League

By Murray Chass

New York Times Service

NEW YORK — The National League will add two teams in 1993.

Why it will take another three years to expand when Peter Ueberroth issued criteria for potential franchises in 1985 is not clear.

Maybe it will take the league that long to find enough talent to stock the new teams. General managers have been looking for talent, especially pitching talent, for this season and can't find much.

Maybe the owners are expanding in 1993 because that's the latest they can wait without incurring the wrath of those who have forced them to expand.

Whatever the owners' motivation, the cities that have been hanging on every empty word about expansion for years now move their plans and hopes into high gear.

The new sites will not be announced for more than a year, and baseball officials and owners say everybody starts out even. But the popular perception is that the leading contenders are Denver and a city in Florida, either St. Petersburg-Tampa or Orlando.

Buffalo, New York, doesn't have the glamour that some of the other contending cities have, but it is well

ahead of its competitors in many ways that count. Unfortunately, major-league club owners will very likely go for the glamour.

Buffalo is the best-prepared site because the Rich family has done a remarkable job of building an attractive, flourishing organization and running a highly efficient operation.

The Bisons not only hold the minor-league attendance record, but they are also the only minor-league team to draw a million or more fans in two seasons.

Robert Rich Jr., the man responsible for the Buffalo operation, has focused on more than just fans. Showing great foresight, he has also built his own farm system.

If the league's expansion committee has not designated early favorites, how have Denver and Florida supposedly moved to the front?

"With no information on expansion from baseball," Rich said, "in the void, people filled in their own criteria. The geography factor became a quick-and-easy criteria. We have said all along we are going by the criteria given to us in 1985 and reiterated by three commissioners. They were reiterated in Cleveland last week. I look at that meeting as the re-emergence of Buffalo."

BOOKS

AN INCONVENIENT WOMAN

By Dominick Dunne. 458 pages. \$19.95. Crown Publishers Inc., 225 Park Avenue South, New York, N.Y. 10003.

Reviewed by Jonathan Yardley

AS inspiration for his latest cautionary tale about life among the excessively privileged, Dominick Dunne would seem to have drawn a soupçon of inspiration from the all-too-real story of Alfred S. Bloomingdale, the California millionaire whose life ended in a sordid if spectacular mess of illicit romance.

Now the wickedly clever Dunne has taken Bloomingdale's corpse and from it has fabricated one Jules Mendelson: "awesome in appearance, brilliantly married, and revered in the manner that the very rich are revered in America." He has given him a wife, Pauline, "one of those people totally at home in the inner circles of several cities, although she seemed to belong to none." He has also given him a mistress, Flo March, "perhaps not the smartest girl in town but one of the nicest and, certainly, one of the prettiest."

It would be a message à la carte that Pauline, in her self-satisfied innocence, doesn't know there's a third party until matters already have taken most of the turns for the worse that Dunne has on the schedule. Jules, who is in his late 50s, has set up Flo in a little den of iniquity in

Beverly Hills, complete with a swimming pool in back and a movie star next door; there he visits her each afternoon, and romps gleefully in the favors that Flo, unlike Pauline, so readily dispenses. It's an idyllic arrangement for Jules, a bit less of one for the ladies:

"If in the totally improbable event that the two women in Jules' life had ever met and compared notes, each would have found that the other woman had that part of Jules that she most wanted. The beautiful and elegant Pauline would have liked a more romantic relationship with her husband, instead of being kept on a pedestal by him, and the sexy and erotic Flo would have liked to receive guests and sit at the head of dinner tables full of famous and rich people."

His setting is Los Angeles, both old and new, and he has a keen eye for its collective and individual foibles. Most of them are seen through the eyes of Philip Quennell, a 30-year-old writer who has only recently come west from New York and who quickly finds himself caught up in various social and romantic whirls.

The event around which all of this turns is the two-hour murder of Hector Paradiso, "a descendant of one of the Spanish Land Grant families, like the Sepulvedas and the Figueras, who had major boulevards named after them, in recognition of their involvement in the founding of the city." By day and by evening Hector was friend and escort to rich and beautiful women; by midnight and thereafter he cruised the homosexual

bars, hiring lunks by the hour. The first half of his life knew nothing about the second; this, needless to say, gives Dunne ample opportunity for fun as well as suspense.

Dunne introduces us to Casper Stieglitz, a producer who has a different tempo for each day of the month, progressing inexorably toward his regular "munch"-and-to-Hortense Madden, the "munch"-frenzied literary critic of Mulholland magazine, "who by night masquerades as Marlene McCleese, nightclub singer, and by day 'reverted to her real life, heaping her contempt on commercial success.'"

Perhaps Dunne's most attractive quality is that he likes his characters, even when they're hard to like. Jules could be a caricature, but instead he's a complicated and interesting person; ditto for the many others, creeps and cretins at first glance, whom Dunne recognizes as more fallible human beings, trying to keep their heads above water in the weird world in which they find themselves.

Dominick Dunne writes commercial fiction, which scarcely makes him unusual among American novelists, but he writes it well, which certainly does. "An Inconvenient Woman" is smart, sophisticated and craftsmanlike; the many admirers of Dunne's previous work will find that it meets all their expectations.

Jonathan Yardley is on the staff of The Washington Post.

BRIDGE

By Alan Truscott

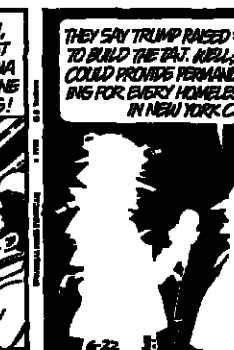
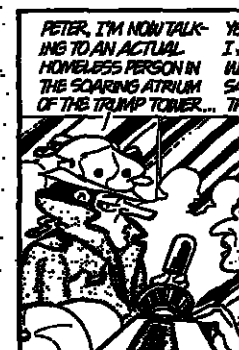
A YEAR ago a rumor suggested that Deng Xiaoping, China's leader, had completed in the fourth Epsom Worldwide Bridge Contest. This seemed unlikely in the wake of political turmoil, and it proved false, but he did compete 10 days ago in the fifth Epsom.

His game was a private one in Beijing and could not count in the official standings, but that was not true of all the hierarchy. On the diagrammed deal South had a borderline decision in standard methods: whether to open two clubs or two no-trump. The official analysis suggested two clubs, leading to a safe six clubs. In a match-point game, however, a risky six no-trump is worth venturing, and as South, Wan Li, 73-year old head of the National People's Congress, arrived there by the brisk sequence shown. There are 11 sure tricks in view, and several chances to make a 12th. The opening diamond lead was covered by the eight, ten and ace. The club queen was led to the ace, and a heart was led. If East had put up the ace, South would have claimed 12 tricks. But he did better when East played the ten and the king won. The diamond king was cashed, and the fall of the queen delighted South.

He ran all the minor-suit winners and made an overtrick when East was squeezed in the major suits at the finish. This was worth 85 match points out of 100, the maximum available on a predetermined scale, and helped him to his second-place world ranking. For his efforts he won an Epsom computer.

NORTH
♠ 4
♥ 7
♦ 10
♣ K 8 5 5
WEST
♠ 6
♥ 5 3
♦ 7 5 4 3 2
♣ 4
EAST
♠ J 10 7 5 2
♥ A J 10 2
♦ 9 10
♣ 7
SOUTH (D)
♠ A K Q 3
♥ 9 8 6
♦ A K
♣ Q J 10 8
East and West were vulnerable.
The bidding:
South West North East
2NT Pass 3NT Pass
West led the diamond seven.

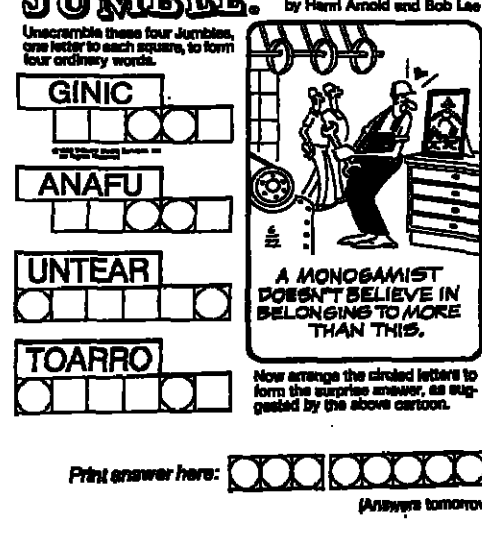
DOONESBURY



DENNIS THE MENACE



JUMBLE



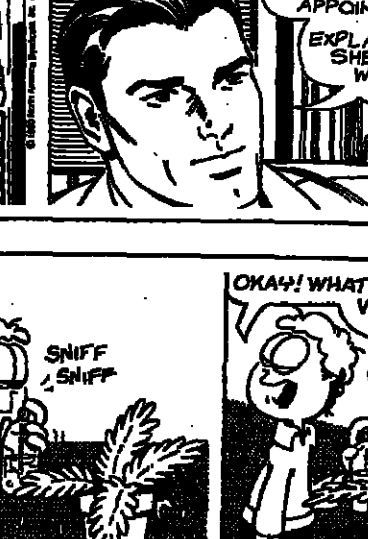
BLONDIE



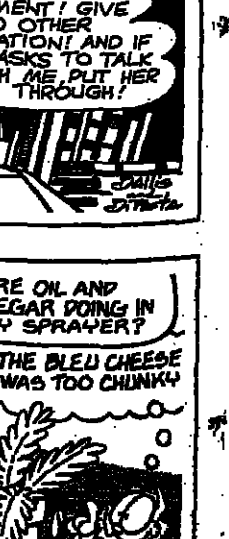
GARFIELD



REX MORGAN



WIZARD OF ID



MR. WILSON SAID IT CAN'T PICK UP ANY ROCK AND ROLL STATIONS.

Yesterday's Jumble: CYCLE FLUID DUPLEX SYD. Answer: What you might do when you no longer want your title. "PEOPLE" it.

6-22

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SPORTS

A Season of Lumps for Nuggets' Owners

Thompson Would Be Troubled Team's 4th General Manager in 8 Months

Compiled by Our Staff From Dispatches

WASHINGTON — The Denver

Nuggets' ownership group, which

has put a \$6 million-plus bid in

front of Georgetown's coach, John

Thompson, to become the team's

general manager, is a historic col-

lection. But that has not saved the

three-time NBA champion from

more than its share of lumps in its

eight seasons of running what has

become one of the National Basket-

ball Association's most chaotic

franchises.

With the help of the NBA com-

missioner, David Stern, two Chi-

cago businessmen, Bertram M. Lee

and Peter C.B. Bynoe, last fall be-

came the first black owners in a

major U.S. team sport.

When Lee and Bynoe's effort to

buy the Nuggets began sputtering,

Stern persuaded the video-entertain-

ment subsidiary of the Wash-

ington-based Communications

Satellite Corp. to provide most of

the funding for the purchase. The

head of COMSAT Video Enter-

prises Inc., Robert Wussler, thus

joined Lee and Bynoe, putting up

\$17 million to obtain ownership of

62.5 percent of the team.

The result, however, has been

something less than a smooth

operation. The post of general manager

already has changed hands three

times since the team was sold, with

Pete Babcock holding the job twice

before going to the Atlanta Hawks.

That left a void in running the

club's basketball operations, a void

that is still unfilled.

Doug Moe, the head coach, and

his assistant, Allan Bristow, as-

sumed some of the responsibilities

of a general manager for much of

the second half of the season. But

now Bristow has gone to the Char-

lotte Hornets and Moe, at least

according to reports in Denver,

may not be in his job much longer.

A new GM might want his own

guys and he might want me," Moe

said. "Either way, fine. And it

doesn't matter who they hire as

GM. To say I can't work with

someone is fantasy."

The Nuggets have been search-

ing for a general manager for

nearly two months. In addition to

Thompson, they had shown interest

in John Nash, who is the new

general manager of the Washing-

ton Bullets, and Minnesota's Billy

McKenney.

Nash, former general manager of

the Philadelphia 76ers, said the

Denver owners were "well-intend-

ed and talented people," but "my

impression was that they're having

difficulty getting started."

A league executive who observed

the Nuggets closely last season said

Wednesday: "In any business sit-

uation, when you have a change in

ownership, there's an adjustment

involved. At least they didn't come

in with any preconceived notions.

We have to fire the coach, we have

to fire the GM and start over."

But now it looks like they're

replacing all of their decision-

making people.

None of Denver's owners were

available to comment Wednesday;

neither Bynoe nor Wussler re-

turned phone messages left at their

offices. But it appears that Thomp-

son's attractiveness is due at least

partly to his dominating personal-

ity, which promises to make him a

stabilizing force for what has been

a mostly unstable reign.

That we've had our problems is

clear," said the team's president,

Carl Scheer. "It's always been in-

teresting around here."

The drama began last summer,

when Bynoe, a real estate developer

who runs the public authority that

is building a new stadium for the

Chicago White Sox, and Lee, a

banker and broadcast executive

with offices in Boston who had

made several attempts to buy a

major sports franchise, began ne-

gotiating to purchase the team

from Sidney Shlenker.

They failed to raise the \$65 mil-

lion asking price, even after Sh-

lenker twice extended the dead-

line for payment. In October, Stern

brought Wussler and COMSAT

into the picture, and within weeks

the company agreed to take a 62.5

percent stake in the team for \$17

million. COMSAT plans to market

the Nuggets on pay-per-view TV.

The sale of the team was not

consummated until Jan. 31 of this

year — nearly six months after the

first announcement. Shlenker said

it was the longest-running deal he

had ever completed.

Bynoe and Lee had put up \$8

million to hold the remaining 37.5

percent interest and were left as the

club's managing partners.

But problems quickly arose.

Bynoe and Lee had announced

during the buying process that they

had hired David Checketts from

the Utah Jazz to be the team's president.

Babcock, who had been president

and general manager, was to be

general manager only.

That lasted for three months, until

Checketts bailed out when the deal

clearly appeared dead.

Thus began a scramble for leadership.

Wussler reportedly dis-

agreed with Lee and Bynoe for

much of the year on the subject of

who should run the club; Wussler

wanted a proven basketball man,

while the others favored a business-

marketing whiz.

Jon Spoelstra was hired in No-

vember as president and general

manager, with Babcock being de-

moted to chief of basketball opera-

tions. But Spoelstra was forced out

in February, and negotiations with

Babcock to release him from his

contract were halted so that he

could resume general manager du-

ties. He left for Atlanta not long

after.

Babcock, who spent nearly six

years in Denver, said he had started

looking for another job when "it

became apparent it was the desire

of the Nuggets not to have me

stay."

He added: "I'm not the most

objective guy to ask about the Den-

ver group. I just invested six years

of my life and emotions there, and

then... I'd rather not talk about it.

It would not be an objective analy-

sis."

The Nuggets later hired Scheer,

but most of the managerial duties

fell to Bristow and Moe.

There was more confusion. The

season's end then came after

the Nuggets lost three straight to

San Antonio in the first round of

the playoffs.

Attendance lagged near the bot-

tom of the league all season, declin-

ing by 881 per game from 1988-89.

Moe and star player Alex English

fended much of the year. Bynoe has

promised big changes.

Said Scheer: "No one wants to

have another year like the last one."

(WP, AP)



Bertram M. Lee, one of the three owners of the Denver Nuggets, during happier times, before the NBA franchise's troubles had begun.

man team for international

But it is generally believed that

the West German team playing in

the World Cup in Italy will be the

last divided German squad to do so.

If the West German soccer as-

sociation has its way, however, top

East German teams, such as

Dynamo Dresden and FC Berlin,

will not be allowed to play in the

West German first division, the

Bundesliga, until 1992.

But East German soccer play-

ers have been leaving their clubs

in droves to play in the West.

That is a strain on clubs like

Dresden, whose survival is

threatened after losing six key

players.

Players like Andreas Thom,

who became an instant star in

the Bundesliga when he joined

Bayer Leverkusen after leaving

FC Berlin, have set a model that

many of their colleagues are hop-

ing to follow. If the trend contin-

ues, East German soccer clubs

may be forced to fold, threaten-

ing the existence of the country's

league.

German track and field ath-

letes might form a united team

for the 1991 World Champions-

hips in Tokyo. But swimmers,

wrestlers and judoists have de-

cided to connect their unification

to the ever increasing speed of

political union of the two Ger-

man states.

German gymnasts have agreed

to train together to prepare an

all-German team for meets later

in the year. A single team for

world championships and Olymp-

ics does not seem likely until

political unification is complete.

Officials of tennis, table ten-

nis, rowing and canoeing have

started negotiations, but have

not set a firm timetable.

For German Sports Bodies, The Pace of Unity Quickens

United Press International

BONN — Some would rather

wait until 1992. Some want it to

happen this year. But all agree

that the reunification of German

sports is increasingly taking

shape and will soon be a fact that

neither weight-lifters nor swim-

mers nor soccer players can af-

ford to ignore.

Swept along by the political

developments in East Germany

since last fall, when the Commu-

nist regime fell in a peaceful re-

volution, officials from both sides

of the crumbling Berlin Wall have

started mapping out timetables

for the reunification of more

than 20 major sports federations.

The merging of two of the

leading sports nations in Europe

is expected to create a powerful

giant that would dominate the

international scene in many dis-

ciplines.

East Germany has been a

leader in track and field and

swimming, while West Germany

has made its mark in, among

other sports, soccer and tennis.

The newspaper General-An-

zeiger in Bonn recently pub-

lished a list of medals that a

united German team would have

won at the 1988 Summer Olymp-

ics in Seoul.

Under the headline, "What

Would Have Happened If?", the

paper said a unified Germany

would have garnered 142 medals,

including 49 gold. The Soviet

Union led all nations in Seoul

with 132 medals, including 55

gold.

A single German team for the

1992 Olympic Games seems cer-

tain, according to the West Ger-

man interior minister, Wolfgang

Schlaich.

"I welcome it if there is a

whole German team taking part

in the Barcelona Games," Schla-

ich said earlier this year. He ad-

ded that West Germany was will-

ing to make financial

contributions to help support the

unifying process in sports.

East Germany handsomely

funded its sports programs un-

der the Communist leadership.

Its training and scientific meth-

ods are reportedly years ahead of

those in most other nations.

Last week, the U.S. Olympic

Committee's board of directors

voted to consider buying training

and coaching technology from

East Germany.

Willi Danne, president of the

West German Olympic Commit-

tee, said East and West German

sports might merge in the next

six months. Danne is now in

East Germany to meet with East

German counterparts, Joachim

Weiskopf, to discuss steps in the

process of joining the two Olympic

teams.

Weiskopf said that the idea of

unified German teams compet-

ing in international events begin-

ning next year would be "an im-

portant preparation for the

Olympics."

East and West German bas-

ketball and volleyball are play-

ing a pioneering role in reunifi-

cation. Players have said that

their leagues will merge in September

1991.

The German ice hockey as-

sociations have decided that two

East German clubs, Dynamo

Weisswasser and Dynamo Ber-

